

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4421
(619) 767-2370



Th 7a

Filed: January 17, 2008
49th Day: March 6, 2008
180th Day: July 15, 2008
Staff: D. Lilly-SD
Staff Report: February 14, 2008
Hearing Date: March 5-7, 2008

STAFF REPORT AND RECOMMENDATION ON APPEAL
SUBSTANTIAL ISSUE

LOCAL GOVERNMENT: San Diego Unified Port District

DECISION: Approval with Conditions

APPEAL NO.: A-6-PSD-08-04

APPLICANT: Lane Field San Diego Developers, LLC

PROJECT DESCRIPTION: Redevelopment of the former Lane Field: Lane Field North will have a 205-foot high hotel with 275 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms; and a 3-story building surrounding the hotel with 30,000 sq.ft. of visitor-serving retail and restaurants. Lane Field South will have a 275-foot high hotel with 525 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms, and a 3-story building surrounding the hotel with 50,000 sq.ft. of visitor-serving retail and restaurants. Also included are 1,330 underground parking spaces and public plazas.

PROJECT LOCATION: North of Broadway Street between Pacific Highway and Harbor Drive, San Diego, San Diego County

APPELLANTS: Coastal Commissioners Patrick Kruger and Mary Shallenberger; Ian Trowbridge; UNITE-HERE Local 30.

SUMMARY OF STAFF RECOMMENDATION:

The staff recommends that the Commission, after public hearing, determine that substantial issue exists with respect to the grounds on which the appeal has been filed.

The primary issues raised by the subject development relate to the Port Master Plan (PMP) and Coastal Act requirements to protect and provide public access and lower cost visitor-serving facilities. The proposed project would redevelop the site with a variety of visitor-serving uses including two hotels, retail, restaurants, and a 1,300 space underground parking garage to serve the new uses. While these are high-priority uses,

the existing site is currently an 880-space surface public parking lot. The proposed parking garage would include only 300 public parking spaces beyond that necessary to serve the proposed hotel and retail development; thus, the development would actually result in 580 fewer parking spaces available to downtown and waterfront visitors. The proposed removal of existing parking, combined with a significant increase in intensity of development at the site, should be more than sufficient to trigger the provision of new transit linkages from the development to and along the waterfront. Specifically, the project should include some form of public waterfront shuttle service to ensure that the additional visitor traffic to the site does not impede public access to and along the coast. However, the project does not include any new alternative parking facilities.

The project also includes the construction of 800 luxury hotel rooms, with no offsetting mitigation measures that would promote lower-cost overnight accommodations.

In addition, appellants have raised concerns that the project would adversely impact water quality, due to the presence of contaminated soils on the site. The project may also be inconsistent with the minimum building setbacks, as several building features would apparently encroach into the required setbacks. Commission water quality staff has not yet been able to determine the extent and significance of these concerns because staff has not yet received the complete project file, including detailed water quality programs and project plans, from the Port.

Other concerns raised by the appellants include impacts to traffic, building orientation, consistency with the public trust doctrine, piecemealing of the approval process, public services, and air quality. Most of these impacts appear to have been adequately addressed by the Port District in its approval; however, finding substantial issue would allow Commission staff to thoroughly review these potential issues of consistency with the certified PMP.

SUBSTANTIVE FILE DOCUMENTS: Appeal by Commissioners Kruger and Shallenberger filed 1/31/08; Appeal by Ian Trowbridge filed 1/17/08; Appeal by UNITE-HERE Local 30 filed 1/25/08; Port Draft Coastal Development Permit 2008-1; Lane Field Initial Study; Certified San Diego Unified Port District Port Master Plan Amendment.

I. Appellants Contend That: The project, as approved by the Port, is inconsistent with the certified PMP with respect to the protection of public access, recreation, visitor-serving facilities, biological resources and water quality, traffic and public services, and visual quality. Thus, they claim that the project is also inconsistent with the policies of Chapter 3 of the Coastal Act.

II. Local Government Action: The coastal development permit was approved by the Board of Port Commissioners on January 8, 2008 (see attachment #4). The permit contains special conditions addressing mitigation measures for water quality, noise,

energy conservation, and other measures, as described under V. Findings and Declarations.

III. Appeal Procedures: After certification of a Port Master Plan (PMP), the Coastal Act provides for limited appeals to the Coastal Commission of certain port governing body's actions on coastal development permit applications. The types of appealable projects are outlined in Section 30715 of the Coastal Act.

After the port governing body has taken final action on an appealable project, it must send a notice of that approval to the Commission. Cal. Pub. Res. Code § 30717; 14 C.C.R. § 13641. This notice must indicate how the approved project is "consistent with the certified port master plan and the California Coastal Act." 14 C.C.R. § 13641(a); Cal. Pub. Res. Code § 30717. Upon proper receipt of a valid notice of appealable development, the Commission establishes an appeal period, which runs for 10 working days. Cal. Pub. Res. Code § 30717; 14 C.C.R. § 13641(b). If an appeal is filed during the appeal period, the effectiveness of the port governing body's approval of the CDP is suspended until the Commission takes final action on the appeal. 14 C.C.R. § 13641(c). The Commission will process the appeal in the same manner that it processes appeals from local government actions approving CDPs. *Id.*

Section 30625(b)(2) of the Coastal Act requires the Commission to hear an appeal of the sort involved here unless the Commission determines that no substantial issue is raised by the appeal. If the staff recommends "substantial issue" and no Commissioner objects, the Commission may proceed directly to the de novo portion of the hearing on the merits of the project then, or at a later date.

If the staff recommends "no substantial issue" or the Commission decides to hear arguments and vote on the substantial issue question, proponents and opponents will have 3 minutes per side to address whether the appeal raises a substantial issue. It takes a majority of Commissioners present to find that no substantial issue is raised. If substantial issue is found, the Commission will proceed to a full public hearing on the merits of the project either immediately or at a subsequent meeting. If the Commission conducts the de novo portion of the hearing on the permit application, the applicable test for the Commission to consider is whether the proposed development is in conformity with the certified Port Master Plan and the Chapter 3 policies of the Coastal Act.

The only persons qualified to testify before the Commission at the "substantial issue" stage of the appeal process are the applicant, persons who opposed the application before the local government (or their representatives), and the local government. Testimony from other persons must be submitted in writing. At the time of the de novo hearing, any person may testify.

IV. Staff Recommendation on Substantial Issue.

The staff recommends the Commission adopt the following resolution:

MOTION: *I move that the Commission determine that Appeal No. A-6-PSD-08-04 raises NO substantial issue with respect to the grounds on which the appeal has been filed under §30715 of the Coastal Act.*

STAFF RECOMMENDATION:

Staff recommends a **NO** vote. Failure of this motion will result in a de novo hearing on the application, and adoption of the following resolution and findings. Passage of this motion will result in a finding of No Substantial Issue and the local action will become final and effective. The motion passes only by an affirmative vote of the majority of the appointed Commissioners present.

RESOLUTION TO FIND SUBSTANTIAL ISSUE:

The Commission hereby finds that Appeal No. *A-6-PSD-08-04* presents a substantial issue with respect to the grounds on which the appeal has been filed under §30715 of the Coastal Act regarding consistency with the Certified Port Master Plan and the Chapter 3 policies of the Coastal Act.

V. Findings and Declarations.

1. Project Description/History. The proposed project is redevelopment of an approximately 5.7 acre, 880-space public surface parking lot with two hotels with a total of 800 rooms, approximately 80,000 sq.ft. of retail uses, restaurants, and public plazas, and 1,330 underground parking spaces. The site is located at the northeast corner of Harbor Drive and Broadway Street, directly east of San Diego Bay.

Lane Field North, the parcel north of the prolongation of “C” Street between Pacific Highway and Harbor Drive, will be developed with a 205-foot high hotel, including approximately 275 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms. A 3-story building surrounding the hotel will include approximately 30,000 sq.ft. of visitor-serving retail. The rooftop of that building will include a publicly-accessible terrace activated by outdoor dining and special events areas. The rooftop will be accessible to the public and hotel guests via an elevator located at the street level on Harbor Drive.

Lane Field South, the parcel immediately south of Lane Field North, includes the prolongation of “C” Street and the area between Pacific Highway and Harbor Drive south to Broadway. The site will include a 275-foot high hotel with approximately 525 guest rooms, a health club/spa, pools, ballrooms, and meeting rooms. A 3-story building surrounding the hotel will include approximately 50,000 sq.ft. of visitor-serving retail,

and a publicly-accessible terrace accessible by an elevator at Harbor Drive. If found suitable, the material excavated for the underground parking garage will be used to replenish beaches.

The project also includes adoption of a public access plan and parking management plan. The public access plan lays out the various public plazas provided in the development, and requires signage identifying the public areas. The parking management plan details the operations of the parking garage.

The standard of review is the certified San Diego Unified Port District Port Master Plan Amendment and the Chapter 3 policies of the Coastal Act.

2. Public Access/Recreation/Visitor-Serving. The appellants assert that the project, as approved by the Port, may result in adverse public access and recreation impacts. The following PMP and Coastal Act policies are relevant:

IV. THE PORT DISTRICT, IN RECOGNITION OF THE POSSIBILITY THAT ITS ACTION MAY INADVERTENTLY TEND TO SUBSIDIZE OR ENHANCE CERTAIN OTHER ACTIVITIES, WILL EMPHASIZE THE GENERAL WELFARE OF STATEWIDE CONSIDERATIONS OVER MORE LOCAL ONES AND PUBLIC BENEFITS OVER PRIVATE ONES.

- Develop the multiple purpose use of the tidelands for the benefits of all the people while giving due consideration to the unique problems presented by the area, including several separate cities and unincorporated populated areas, and the facts and circumstances related to the development of tideland and port facilities.
- Foster and encourage the development of commerce, navigation, fisheries and recreation by the expenditure of public moneys for the preservation of lands in their natural state, the reclamation of tidelands, the construction of facilities, and the promotion of its use.
- Encourage non-exclusory uses on tidelands.

VI. THE PORT DISTRICT WILL INTEGRATE THE TIDELANDS INTO A FUNCTIONAL REGIONAL TRANSPORTATION NETWORK

- Encouraging development of improved major rail, water and air systems linking the San Diego region with the rest of the nation.
- Improved automobile linkages, parking programs and facilities, so as to minimize the use of waterfront for parking purposes
- Providing pedestrian linkages

- Encouraging development of non-automobile linkage systems to bridge the gap between pedestrian and major mass systems.

VII. THE PORT DISTRICT WILL REMAIN SENSITIVE TO THE NEEDS, AND COOPERATE WITH ADJACENT COMMUNITIES AND OTHER APPROPRIATE GOVERNMENTAL AGENCIES IN BAY AND TIDELAND DEVELOPMENT.

- The Port District will at all times attempt to relate tidelands to the uplands.
- The Port District will cooperate, when appropriate, with other local governmental agencies in comprehensive studies of existing financing methods and sources which relate to the physical development of the tidelands and adjacent uplands.

Page 17 of the PMP states:

Maximum access to the shoreline is encouraged except where security or public safety factors would negate.

Page 38 of the PMP states:

Circulation and Navigation System

...The provision of adequate access to and circulation within the San Diego Bay area is a key element in the success of economic activities, of the viability of public services and amenities, and the preservation of the area's environmental setting. The various modes of transport must be coordinated not only to the various land and water uses they support, but to each other to avoid incompatibilities, congestion, hazardous movements and unnecessary expenditures.

Applicable Coastal Act policies include the following:

Section 30210

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212

(a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where:

(1) it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources,

(2) adequate access exists nearby, or,

[...]

Section 30221

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and foreseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30222

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Section 30223

Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

Section 30252

The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing non-automobile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings.

Section 30253

New development shall: [...]

- (4) Minimize energy consumption and vehicle miles traveled.

Section 30708

All port-related developments shall be located, designed, and constructed so as to:

- (a) Minimize substantial adverse environmental impacts.
- (b) Minimize potential traffic conflicts between vessels.
- (c) Give highest priority to the use of existing land space within harbors for port purposes, including, but not limited to, navigational facilities, shipping industries, and necessary support and access facilities.
- (d) Provide for other beneficial uses consistent with the public trust, including, but not limited to, recreation and wildlife habitat uses, to the extent feasible.
- (e) Encourage rail service to port areas and multicompany use of facilities.

The existing site is currently an 880-space surface public parking lot. The proposed development would include construction of a 1,300 space underground parking garage including 300 public parking spaces beyond that necessary to serve the proposed hotel and retail development. As a result, there would be 580 less public parking spaces available to serve downtown and waterfront visitors. As noted in the above policies, a parking lot is not necessarily the best or most appropriate use of prime waterfront land, but when removing parking and increasing the intensity of development, providing alternative parking programs and facilities is necessary in order to maintain and promote public access to the coast.

The developer has proposed a “Multimodal Transit Opportunity Promotion Plan” identifying programs that the hotels would be implementing to promote non-automobile transit. Guest services would include a shuttle service with service to and from the airport and other en-route destinations within downtown San Diego, parking spaces reserved for advanced systems low emission vehicles, discounted trolley and bus passes, pedi-cab staging facilities, and shuttle services to and from the Convention Center for guests. Employees would be offered reduced transit fares, reduced parking fees for low emission vehicles, carpooling, and car sharing, and on-site bicycle parking with shower and locker facilities. Although this plan has not specifically been incorporated into the coastal development permit at this time, the Port District has indicated its willingness to do so.

However, while these are positive features, they only are applicable to hotel guests and employees and do not address the lack of “non-automobile linkage systems to bridge the gap between pedestrian and major mass systems”—namely some form of a downtown

shuttle that would serve both hotel guests and the general public to ensure that the continuing major development projects occurring on the waterfront do not result in traffic congestion which reduces the public's ability to gain access to the shoreline, particularly in the summer. Additionally, the loss of public parking near the shoreline would be addressed through shuttle linkages to off-site or satellite parking reservoirs within and adjacent to Port tidelands.

Many California coastal communities operate downtown or shoreline shuttles on a fulltime or seasonal basis, including Santa Monica, Long Beach, Santa Barbara, Laguna Beach, Monterey, Capitola, Cambria, Morro Bay, Avila Beach, and Calabasas. These public shuttles provide linkages between visitor-serving amenities, (in many cases, free of charge), in order to reduce congestion and pollution (see Exhibit #10 for a detailed description of various shuttle services currently operating in the California Coastal Zone).

There is no similar public transit service in San Diego. The Port has long indicated its support for the concept of a waterfront/downtown shuttle, but there is currently no timeline to plan, develop, or implement any such system, nor does the Port require new development such as the subject project to contribute to the development of a shuttle service. The Port included a requirement in the approved coastal development permit that the applicant "comply with all applicable public access requirements including participation in a bayside shuttle system upon District implementation of that system." Instead of a vague requirement to "participate" in a shuttle, at the project level of approval, the Port should be identifying specifically how and when this particular development will be assessed a fairshare contribution to implementation of a bayside shuttle system.

Port policies call for encouraging the development of recreation by the expenditure of public moneys, the construction of facilities, and the promotion of tidelands. The Port has pointed to the significant challenges involved in coordinating implementation of a downtown shuttle given the need to coordinate with the City of San Diego and the Metropolitan Transit District. Port staff have indicated that several years ago, talks were initiated with a San Diego City councilmember's staff to explore the potential for a downtown shuttle. However, no draft plan, or preliminary agreements, or timeline for future discussion resulted from these meetings, and no new strategies or efforts to even begin planning a shuttle service have been undertaken.

Ideally, San Diego would have a shuttle service linking downtown, the Gaslamp District, and Balboa Park to the waterfront. However, a waterfront only program could be developed by the Port right now to provide linkages from existing downtown transit facilities to and along the Port tidelands. For example, a shuttle service that operated in the summer linking all of the waterfront hotels from Shelter Island, to Harbor Island, to the North Embarcadero, Seaport Village, the South Embarcadero, and the Convention Center, all of which are within the Port District jurisdiction, could be developed through a public/private partnership between the Port District and its lessees. Visitors could take the trolley or the Coaster from locations around the County to the existing transit center located east of Lane Field, and take the shuttle from the proposed Lane Field hotels to

restaurants on Shelter Island, or parks on Harbor Island, or the boardwalk next to the Convention Center. Such a service would be hugely beneficial to the public in traversing the shoreline and reducing reliance on the automobile.

The proposed development will eliminate existing public parking spaces while significantly increasing the density and intensity of use along the waterfront without providing offsetting benefits to public access, inconsistent with the certified Port Master Plan. Connectivity or linkage to offsite public parking reservoirs within and adjacent to Port tidelands such as, the Convention Center, Petco Park lots, and the County Administration Building could be provided. A shuttle system serving the hotels and parking reservoirs would distribute public use of Port tidelands consistent with Section 30212.5 of the Coastal Act. Therefore, a substantial issue exists with respect to the consistency of the proposed project with the Port's certified Port Master Plan and public access policies of the Coastal Act.

3. Public Access/Lower-Cost Visitor-serving Commercial. In addition to the above listed Port and Coastal Act policies encouraging non-exclusory uses on Port tidelands and increased public access, the Port Master Plan also includes the following policy:

Development and Conservation Strategy

The basic direction of development and conservation efforts in the coastal zone is, where feasible, to protect, maintain, enhance, and restore the overall quality of the man-made and natural coastal zone environment. Port development seeks to minimize substantial adverse environmental impacts; minimize potential traffic conflicts between vessels in the port; give highest priority to the use of existing land space within harbors for port purposes; and provide for a full array of beneficial activities including recreation and wildlife habitat uses. A balanced approach also takes into account the social and economic needs of the people of the State.

The following Coastal Act policy is also relevant:

Section 30213

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

The appellants contend that the project, as approved by the Port, is inconsistent with the certified PMP, as cited above, in that approval would consist entirely of high-end luxury hotel rooms, thus encouraging exclusory uses on tidelands. The room rate at the proposed hotels is expected to be in the high \$200 range.

When exclusive visitor accommodations are located on the waterfront, they occupy area that would otherwise be available for lower cost visitor and public recreational facilities. The problem with exclusivity of shoreline accommodations is become increasingly acute

throughout California. The particular distinction in the subject case is that the site is publicly owned land held in trust by the Port District. The Port District therefore has the ability to ensure the provision of lower-cost overnight facilities in a way that is much more difficult for the Commission or local governments to accomplish when regulating development of privately owned land. Lower-cost overnight facilities *could* be provided and encouraged along San Diego Bay, consistent with the policies of the Coastal Act. However, there are no motels, campgrounds, or youth hostels on Port tidelands. Even transient boat mooring rates in San Diego Bay have increased substantially in recent years.

There is a place for higher-end facilities in the Port District, but it should be as one component of a wide range of overnight accommodations available to serve all segments of the population, to ensure the shoreline is available to everyone. This concept is referenced in the PMP policy that requires a balanced approach to development that “takes into account the social and economic needs of the people of the State.”

There are several ways in which the increasing exclusivity of San Diego shoreline development could have been addressed at the proposed project site to bring the project into full compliance with PMP provisions. In review of coastal development elsewhere in the coastal zone, the Commission has required either the provision of lower cost visitor accommodations within proposed development or allowed for the payment of a fee in-lieu of actual construction of affordable units. Recent examples include 5-99-169 (Maguire Partners), 5-05-385 (Seal Beach Six), A-3-PSB-06-001 (Beachwalk Hotel), and A-6-ENC-07-51 (Surfer’s Point). The most recent example included the requirement for a fee of \$30,000 per room for 25% of the proposed number of rooms. These requirements were associated with proposals for new development on private land which precluded development of lower cost facilities. Such fees are used for land acquisition, construction and/or to subsidize the provision of lower cost visitor-serving accommodations within a high-cost facility or off-site in the project vicinity. Provision of low-cost accommodations either directly or through contributions to organizations such as San Diego Hostelling International USA (Hostelling International is a non-profit organization with more than 4,000 hostels in over 60 countries, including two in San Diego), and/or developing campgrounds on public tidelands would also be a suitable means to offset the impact of high-cost hotels on public tidelands otherwise available to serve a larger segment of the population with lower cost visitor facilities. In this case however, the Port failed to require such provisions.

In summary, the Port has not adequately addressed the development’s conformity with PMP standards regarding exclusory uses with regard to the provision of lower-cost visitor-serving overnight accommodations. Therefore, the Commission finds that a substantial issue exists with respect to the consistency of the project with the Port’s certified Port Master Plan.

4. Protection of Sensitive Biological Resources. Relevant PMP policies include the following:

VIII. THE PORT DISTRICT WILL ENHANCE AND MAINTAIN THE BAY AND TIDELANDS AS AN ATTRACTIVE PHYSICAL AND BIOLOGICAL ENTITY.

- Establish guidelines and standards facilitating the retention and development of an aesthetically pleasing tideland environment free of noxious odors, excessive noise, and hazards to the health and welfare of the people of California.

X. THE QUALITY OF WATER IN SAN DIEGO BAY WILL BE MAINTAINED AT SUCH A LEVEL AS WILL PERMIT HUMAN WATER CONTACT ACTIVITIES.

- Insure through lease agreements that Port District tenants do not contribute to water pollution.
- Cooperate with the Regional Water Quality Control Board, the County Health Department, and other public agencies in a continual program of monitoring water quality and identifying source of any pollutant.
- Adopt ordinances, and take other legal and remedial action to eliminate sources of pollution.

XI. THE PORT DISTRICT WILL PROTECT, PRESERVE, AND ENHANCE NATURAL RESOURCES, INCLUDING NATURAL PLANT AND ANIMAL LIFE IN THE BAY AS A DESIRABLE AMENITY, AN ECOLOGICAL NECESSITY, AND A VALUABLE AND USABLE RESOURCE.

Relevant Coastal Act policies include the following:

Section 30230

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes

Section 30231

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where

feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Section 30240(b)

(b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.

The appellants contend that the project will have adverse impacts on the biological productivity and the quality of coastal waters because there are contaminated soils on the project site including significant pesticide contamination and petroleum hydrocarbons, among other contaminants. The appellants contend that construction activities will release these contaminants into the adjacent San Diego Bay harming fish and birdlife, and human health and welfare.

The Lane Field site is fully developed and does not contain any sensitive habitat. However, it is, as noted, adjacent to San Diego Bay, and runoff from the site could harm natural plant or animal life in the bay. The project includes construction BMPs, site design BMPs, control source (trash, landscape runoff) BMPs, and treatment control BMPs. However, the Port has not yet transmitted the complete project file to the Commission, including the detailed water quality control programs identified above for the site, therefore, the Commission's water quality staff have been unable to determine if the project will adequately protect, preserve and enhance the adjacent natural resources.

Therefore, the Commission finds that a substantial issue exists with respect to the consistency of the project with the Port's certified Port Master Plan.

5. Visual Quality. Relevant PMP policies include the following:

- Views should be enhanced through view corridors, the preservation of panoramas, accentuation of vistas, and shielding of the incongruous and inconsistent.

Civic Zone

[...]

The most important element in this zone is the conversion of the old Lane Field site and Navy Engineering building into a new complex of buildings and open spaces. Primary consideration is a 600-to-800-room hotel. The intent of the plan is to retain flexibility for considering a wide array of development options. The concept

includes possible multiple utilization of activities that could provide for commercial recreation; international trade, travel and cultural complexes; commercial and office space for maritime business; support facilities related to the Port; and subject to negotiation with the U.S. Navy, the provision of equal or better building space for the relocation of the Naval Facilities Engineering Command. The FAR for Lane Field parcel is 7.0 and 6.5, while building height limits range from 400 feet to 200 feet sloping toward the Bay. Special setback requirements along the Broadway side of this parcel range from 55 feet to 65 feet, widening toward the Bay (See Figure 4.7 of the Visionary Plan, which also illustrates the special radius setback on North Harbor Drive/ Broadway SW corner). Stepbacks for upper stories are 25-foot minimum at 50-foot building height except for the B Street side of the parcel and on other east-west streets where they are 15 feet. There are no stepback requirements along Pacific Highway. (See Visionary Plan Figures 4.5, 4.6, 4.7 and 4.8.)

Coastal Act policies include:

Section 30251

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas....

The appellants contend that the project is inconsistent with the certified PMP because the proposed project is not consistent with the required stepbacks. Specifically, the Initial Study for the project states:

There are two minor intrusions into the setback area. On the Lane Field South hotel, a portion of the proposed spa and restaurant/bar intrudes approximately 15 feet into the 25-foot setback on the 50-foot podium level along the C Street frontage. This is proposed to be a glass, partially transparent feature. Both hotels propose to provide public realm elevator access to the podium roof levels from the Harbor Drive sidewalk. The elevator penthouses would consist of an approximately 100 square foot approximately 20 foot tall structure. This structure would be mostly transparent and located within the 25-foot setback on the 50-foot podium level. The elevators would be visible features located on the outside of each building to insure that the public is aware that the elevators are available for public uses. It is necessary to locate the penthouse in the setback to accommodate this location.

While the two intrusions are to accommodate public access, as cited above, there are no provisions for setback intrusions, even if to facilitate public access. The stepbacks were developed to enhance public views along major coastal access corridors and avoid a tunnel-like effect resulting from skyscrapers looming next to streets. As the project does not appear to be consistent with the required stepbacks, the Commission finds that a

substantial issue exists with respect to the consistency of the project with the Port's certified Port Master Plan.

6. Traffic, Building Orientation; Consistency with the Public Trust Doctrine; Piecemealing of Approval Process; Public Services; Air Quality; Climate Change.

The appellants contend that the Lane Field project, when combined with future office development of the adjacent lot at 1220 Pacific Highway, will have a new substantial adverse impact on traffic not previously anticipated in the PMP. However, the Port has specifically stated that "the cited office space is not planned or contemplated on 1220 nor would such a development be consistent with the description provided in the Master EIR." Thus, it does not appear this contention would raise a substantial issue of consistency with the PMP. However, to clarify, as discussed in detail above, the increase in intensity of use at the site will result in sufficient traffic and congestion from the proposed project. The Port has not adequately addressed the measures required to mitigate or offset the potential effect of this increase in intensity of use on general public access to the shoreline.

The appellants contend that the orientation of the proposed buildings is not consistent with North Embarcadero Visionary Plan (NEVP). However, the NEVP is not part of the certified PMP, although certain specific policies and goals of the NEVP have been incorporated in the PMP. Consistency with the NEVP is not the standard of review for appeals, and the certified PMP does not contain standards or policies regarding the orientation of the buildings or other policies that conflict with the orientation of the buildings as proposed.

The appellants claim the proposed uses on the site may not be consistent with the Public Trust Doctrine, because the Port does not yet have detailed plans for the project's retail space. The site is designated for Commercial Recreation uses in the certified PMP. The proposed hotel and retail uses are consistent with this designation, and are consistent with the existing uses throughout Port tidelands. A question was raised during the local review process regarding the spa facilities associated with the proposed hotels. A stand-alone gym or spa facility could potentially raise concerns regarding permitted uses on public trust lands, but the proposed spas would be integrated with the hotels as a typical amenity found in many higher-end hotels on Port tidelands. There is no evidence that any of the proposed uses on the site are inconsistent with the allowed uses per the PMP or the Public Trust Doctrine.

The appellants contend that the environmental analysis of the Lane Field project was improperly piecemealed. The standard of review for the appeal is consistency with the Port Master Plan the Chapter 3 policies of the Coastal Act. Any deficiencies which may have occurred in the environmental review process are not grounds for whether the appeal raises a substantial issue.

The appellants claim the proposed uses will have a substantial adverse impact on public services, contrary to the PMP policy directing the Port to "[c]urb the misuse of land so

that it will not injuriously affect the people of the State of California through the prevention of substandard construction or unnecessarily add inappropriate developments.” The appellants contend inadequate fire protection and water supply will be available on the site. However, the environmental documents prepared for the project did not identify any deficiencies in public services for the site. The subject site is a downtown location surrounded by extremely high density, intense development. Concentrating development in existing developed areas is an appropriate use of land and public services, and there is no evidence that the project would injuriously affect the people of the State of California.

The appellants contend that the project may have substantial unmitigated adverse impacts on air quality, inconsistent with the PMP policy that “[p]ort development seeks to minimize substantial adverse environmental impacts.” However, the environmental documents prepared for the project did not identify any unmitigatable air quality impacts. Mitigation measures required in the North Embarcadero Visionary Plan/North Embarcadero Redevelopment Port Master Plan Amendment EIR require air quality mitigation measures during construction and transportation demand management measures for high-occupancy events at the hotel. As proposed, the project seeks to minimize substantial adverse air quality impacts; therefore, this contention does not appear to raise a substantial issue.

The appellants contend that the project may have substantial impacts on climate change from greenhouse gas emissions from heating, transportation fuels, and energy generation demands associated with the project, and thus does not meet PMP requirements to “administer the tidelands so as to provide the greatest economic, social and aesthetic benefits to present and future generations.” While any new development is likely to result in some increased energy demand and fuel usage, the proposed development includes a plan to incorporate environmentally sustainable initiatives into the project. The initiatives include meeting the requirements of LEED (Leadership in Energy and Environmental Design) Silver Certification, construction waste management, the use of renewable energy generation, high efficiency heating design, water use reduction, and so forth. As proposed, the project does not appear to raise a substantial issue of consistency with the cited PMP requirements.

7. Conclusion. In conclusion, the project as approved by the Port, would significantly increase the density and intensity of use along the waterfront without any new alternative parking or transportation measures to maintain public access to the coast. The project also includes the construction of 800 luxury hotel rooms, with no offsetting mitigation measures that would promote lower-cost overnight accommodations. The potential presence of contaminated soils on the site may pose a threat to water quality, and the setbacks of the building appear to be inconsistent with the certified Port Master Plan. Therefore the project raises a substantial issue regarding consistency with the Port Master Plan.

STATE OF CALIFORNIA -- THE RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
(619) 767-2370



APPEAL FROM COASTAL PERMIT
DECISION OF LOCAL GOVERNMENT

Please Review Attached Appeal Information Sheet Prior To Completing This Form.

SECTION I. Appellant(s)

Name: Mary Shallenberger
Mailing Address: 45 Fremont Street, Suite 2000
San Francisco, CA 94105

Phone Number: (415) 904-5200

SECTION II. Decision Being Appealed

1. Name of local/port government: San Diego Unified Port District
2. Brief description of development being appealed: Redevelopment of the former Lane Field site with two hotels with 800 rooms, approximately 80,000 sq.ft. of retail uses, restaurants, public spaces and underground parking.
3. Development's location (street address, assessor's parcel no., cross street, etc.):
North of Broadway Street between Pacific Highway and Harbor Drive, San Diego, San Diego County.
4. Description of decision being appealed:
 - a. Approval; no special conditions: ☐
 - b. Approval with special conditions: ☒
 - c. Denial: ☐

Note: For jurisdictions with a total LCP, denial decisions by a local government cannot be appealed unless the development is a major energy or public works project. Denial decisions by port governments are not appealable.

TO BE COMPLETED BY COMMISSION:APPEAL NO: A-6-PSD-08-004DATE FILED: January 31, 2008DISTRICT: San Diego**RECEIVED**

JAN 31 2008

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO

EXHIBIT #1

Commission Appeal Forms

PMPA #1-07 Old Police Station and Park
California Coastal Commission

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT
Page 2

5. Decision being appealed was made by (check one):

- a. ☐ Planning Director/Zoning Administrator c. ☐ Planning Commission
b. ☐ City Council/Board of Supervisors d. ☒ Other Port Commission

Date of local government's decision: January 8, 2008

Local government's file number (if any): CDP-2008-01

SECTION III. Identification of Other Interested Persons

Give the names and addresses of the following parties. (Use additional paper as necessary.)

Name and mailing address of permit applicant:

Lane Field San Diego Developers, LLC
655 West Broadway Street, Suite 1450
San Diego, CA 92101

Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

Suma Peesapati
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080-7037

Ian Trowbridge
3444 Hawk Street
San Diego, CA 92103

SECTION IV. Reasons Supporting This Appeal

Note: Appeals of local government coastal permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section, which continues on the next page.

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT
Page 3

State briefly your reasons for this appeal. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)

See Attachment "A" dated 1/31/08

Note: The above description need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.

Signed: C SIGNATURE ON FILE
Appellant

Date: 1/31/08

Agent Authorization: I designate the above identified person(s) to act as my agent in all matters pertaining to this appeal.

Signed: _____

Date: _____

Lane Field
Attachment "A" dated 1/31/08

1

The subject project consists of redevelopment of the former Lane Field site with two hotels with 800 rooms and 1,330 underground parking space surrounded by approximately 80,000 sq. ft. of retail uses, restaurants, and public plazas. The 5.7-acre site is located at the northeast corner of Harbor Drive and Broadway Street, directly east of San Diego Bay.

While the proposed project has many positive features, including the proposed visitor-serving retail uses and the public access amenities, there are several significant inconsistencies with the following Port Master Plan goals and policies:

IV. THE PORT DISTRICT, IN RECOGNITION OF THE POSSIBILITY THAT ITS ACTION MAY INADVERTENTLY TEND TO SUBSIDIZE OR ENHANCE CERTAIN OTHER ACTIVITIES, WILL EMPHASIZE THE GENERAL WELFARE OF STATEWIDE CONSIDERATIONS OVER MORE LOCAL ONES AND PUBLIC BENEFITS OVER PRIVATE ONES.

- Develop the multiple purpose use of the tidelands for the benefits of all the people while giving due consideration to the unique problems presented by the area, including several separate cities and unincorporated populated areas, and the facts and circumstances related to the development of tideland and port facilities.
- Foster and encourage the development of commerce, navigation, fisheries and recreation by the expenditure of public moneys for the preservation of lands in their natural state, the reclamation of tidelands, the construction of facilities, and the promotion of its use.
- Encourage non-exclusory uses on tidelands.

VI. THE PORT DISTRICT WILL INTEGRATE THE TIDELANDS INTO A FUNCTIONAL REGIONAL TRANSPORTATION NETWORK

- Encouraging development of improved major rail, water and air systems linking the San Diego region with the rest of the nation.
- Improved automobile linkages, parking programs and facilities, so as to minimize the use of waterfront for parking purposes
- Providing pedestrian linkages
- Encouraging development of non-automobile linkage systems to bridge the gap between pedestrian and major mass systems.

The existing site is currently an 880-space surface public parking lot. The proposed development would include construction of a 1,300 space underground parking garage including 300 public parking spaces beyond that necessary to serve the proposed hotel and retail development. As a result, there would be 580 less parking spaces available to

Lane Field
Attachment "A" dated 1/31/08

2

downtown and waterfront visitors. As noted in the above policies, a parking lot is not necessarily the best or most appropriate use of prime waterfront land, but when removing parking and increasing the intensity of development, providing alternative parking programs and facilities is necessary in order to maintain public access to the coast.

The hotel operator has developed a "Multimodal Transit Opportunity Promotion Plan" identifying programs that the hotel would be implementing to promote non-automobile transit. Guest services would include as a shuttle service with service to and from the airport and other en-route destinations within downtown San Diego, parking spaces reserved for advanced systems low emission vehicles, discounted trolley and bus passes, pedi-cab staging facilities, and shuttle services to and from the Convention Center for guests. Employees would be offered reduced transit fares, reduced parking fees for low emission vehicles, carpooling, and car sharing, and on-site bicycle parking with shower and locker facilities. Although this plan has not specifically been incorporated into the coastal development permit at this time, the Port District has indicated its willingness to do so.

However, while these are positive features, they do not address the lack of "non-automobile linkage systems to bridge the gap between pedestrian and major mass systems"—namely some form of a downtown shuttle that would serve both hotel guests and the general public to ensure that the continuing major development projects occurring on the waterfront do not result in congestion reducing public access to the shoreline, particularly in the summer.

Many California coastal communities operate downtown or shoreline shuttles on a fulltime or seasonal basis, including Santa Monica, Capitola, Long Beach, Santa Barbara, Monterey, and Laguna Beach. These public shuttles provide linkages between visitor-serving amenities, (in some cases, free of charge), in order to reduce congestion and pollution. The Port has long indicated its support for concept of a waterfront/downtown shuttle, but there is currently no timeline to plan, develop, or implement any such system, nor does the Port require new development such as the subject project to contribute to the development of a shuttle service. The Port included a requirement in the approved coastal development permit that the applicant "comply with all applicable public access requirements including participation in a bayside shuttle system upon District implementation of that system." Instead of a vague requirement to "participate" in a shuttle, at the project level of approval, the Port should be identifying specifically how and when this particular development will be assessed a fairshare contribution to implementation of a bayside shuttle system.

Port policies call for encouraging the development of recreation by the expenditure of public moneys the construction of facilities and the promotion of tidelands. The Port has pointed to the significant challenges involved in coordinating implementation of a downtown shuttle given the need to coordinate with the City of San Diego and the Metropolitan Transit District. Certainly, a shuttle service would ideally link downtown, the Gaslamp District, and Balboa Park to the waterfront. However, even a preliminary shuttle service that operated in the summer linking all of the waterfront hotels from Shelter Island, to Harbor Island, to the North Embarcadero, Seaport Village, the South

Lane Field
Attachment "A" dated 1/31/08

3

Embarcadero, and the Convention Center, all of which are within the Port District jurisdiction, could be developed through a public/private partnership between the Port District and its lessees. Such a service would be hugely beneficial to the public in traversing the shoreline and reducing reliance on automobile transit.

The proposed development will significantly increase the density and intensity of use along the waterfront without providing offsetting benefits to public access, inconsistent with the certified Port Master Plan.

In addition, the project would consist entirely of high-end luxury hotel rooms, thus encouraging exclusory uses on tidelands. When exclusive visitor accommodations are located on the waterfront, they occupy area that would otherwise be available for lower cost visitor and recreational facilities. The problem with exclusivity of shoreline accommodations is becoming increasingly acute throughout California. The particular distinction in the subject case is that the site is publicly owned land held in trust by the Port District. The Port District therefore has the ability to ensure the provision of lower-cost overnight facilities in a way that is much more difficult for the Commission or local governments to accomplish when regulating development of privately owned land. Lower-cost overnight facilities *could* be provided and encouraged along San Diego Bay, consistent with the policies of the Coastal Act. However, the Port Master Plan currently does not contain any specific policy statements addressing the provision of lower-cost visitor and recreational facilities in new development. It also does not contain any policies protecting existing or encouraging new lower cost facilities within Port tidelands. As a result, there are no motels, campgrounds, or youth hostels on Port tidelands. Even transient boat mooring rates in San Diego Bay have increased substantially in recent years.

There is a place for higher-end facilities in the Port District, but it should be as one component of a wide range of facilities available to serve all segments of the population, to ensure the shoreline is available to everyone. There are several ways in which the increasing exclusivity of San Diego shoreline development could have been addressed at the proposed project site. In review of coastal development elsewhere in the coastal zone, the Commission has required either the provision of lower cost visitor accommodations within proposed development or allowed for the payment of a fee in-lieu of actual construction of affordable units (ref. CDP #5-87-675 Marina Del Rey Ritz Carlton; CDP A5-RPV-91-46 Rancho Palos Verdes; CDP #6-92-203 Sport Shinko). These requirements were associated with proposals for new development which precluded development of lower cost facilities. The Marina Del Rey Ritz Carlton and the Sport Shinko developments did not involve loss of existing affordable recreational opportunities. Such fees are used for land acquisition, construction and/or to subsidize the provision of lower cost visitor-serving accommodations within a high-cost facility or off-site in the project vicinity. Provision of low-cost accommodations either directly or through contributions to organizations such as San Diego Hostelling International USA (Hostelling International is a non-profit organization with more than 4,000 hostels in over 60 countries, including two in San Diego), and/or developing campgrounds on public tidelands would also be a suitable means to offset the impact of high-cost hotels on public

Lane Field
Attachment "A" dated 1/31/08

4

tidelands otherwise available to serve a larger segment of the population with lower cost visitor facilities.

Thus, the proposed permit is not consistent with the project approved in the certified Port Master Plan, or with the goals of the Port Master Plan supporting public access and recreational opportunities for all of the people.

STATE OF CALIFORNIA -- THE RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA COASTAL COMMISSION

SAN DIEGO AREA
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4402
(619) 767-2370



APPEAL FROM COASTAL PERMIT
DECISION OF LOCAL GOVERNMENT

Please Review Attached Appeal Information Sheet Prior To Completing This Form.

SECTION I. Appellant(s)

Name: Patrick Kruer
Mailing Address: 7727 Herschel Avenue
La Jolla, CA 92037

Phone Number: (858) 551-4390

SECTION II. Decision Being Appealed

1. Name of local/port government: San Diego Unified Port District
2. Brief description of development being appealed: Redevelopment of the former Lane Field site with two hotels with 800 rooms, approximately 80,000 sq.ft. of retail uses, restaurants, public spaces and underground parking.
3. Development's location (street address, assessor's parcel no., cross street, etc.):
North of Broadway Street between Pacific Highway and Harbor Drive, San Diego, San Diego County.
4. Description of decision being appealed:
 - a. Approval; no special conditions: ☐
 - b. Approval with special conditions: ☒
 - c. Denial: ☐

Note: For jurisdictions with a total LCP, denial decisions by a local government cannot be appealed unless the development is a major energy or public works project. Denial decisions by port governments are not appealable.

TO BE COMPLETED BY COMMISSION:

APPEAL NO: A-6-PSD-08-004

DATE FILED: January 31, 2008

DISTRICT: San Diego

RECEIVED
JAN 31 2008

CALIFORNIA
COASTAL COMMISSION
SAN DIEGO COAST DISTRICT

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT
Page 2

5. Decision being appealed was made by (check one):

- a. ☐ Planning Director/Zoning Administrator c. ☐ Planning Commission
b. ☐ City Council/Board of Supervisors d. ☒ Other Port Commission

Date of local government's decision: January 8, 2008

Local government's file number (if any): CDP-2008-01

SECTION III. Identification of Other Interested Persons

Give the names and addresses of the following parties. (Use additional paper as necessary.)

Name and mailing address of permit applicant:

Lane Field San Diego Developers, LLC
655 West Broadway Street, Suite 1450
San Diego, CA 92101

Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

Suma Peesapati
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080-7037

Ian Trowbridge
3444 Hawk Street
San Diego, CA 92103

SECTION IV. Reasons Supporting This Appeal

Note: Appeals of local government coastal permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section, which continues on the next page.

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT
Page 3

State briefly your reasons for this appeal. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)

See Attachment "A" dated 1/31/08

Note: The above description need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.

Signed: SIGNATURE ON FILE
Appellant or Agent

Date: 1/31/08

Agent Authorization: I designate the above identified person(s) to act as my agent in all matters pertaining to this appeal.

Signed: _____

Date: _____

Lane Field
Attachment "A" dated 1/31/08

1

The subject project consists of redevelopment of the former Lane Field site with two hotels with 800 rooms and 1,330 underground parking space surrounded by approximately 80,000 sq.ft. of retail uses, restaurants, and public plazas. The 5.7-acre site is located at the northeast corner of Harbor Drive and Broadway Street, directly east of San Diego Bay.

While the proposed project has many positive features, including the proposed visitor-serving retail uses and the public access amenities, there are several significant inconsistencies with the following Port Master Plan goals and policies:

IV. THE PORT DISTRICT, IN RECOGNITION OF THE POSSIBILITY THAT ITS ACTION MAY INADVERTENTLY TEND TO SUBSIDIZE OR ENHANCE CERTAIN OTHER ACTIVITIES, WILL EMPHASIZE THE GENERAL WELFARE OF STATEWIDE CONSIDERATIONS OVER MORE LOCAL ONES AND PUBLIC BENEFITS OVER PRIVATE ONES.

- Develop the multiple purpose use of the tidelands for the benefits of all the people while giving due consideration to the unique problems presented by the area, including several separate cities and unincorporated populated areas, and the facts and circumstances related to the development of tideland and port facilities.
- Foster and encourage the development of commerce, navigation, fisheries and recreation by the expenditure of public moneys for the preservation of lands in their natural state, the reclamation of tidelands, the construction of facilities, and the promotion of its use.
- Encourage non-exclusory uses on tidelands.

VI. THE PORT DISTRICT WILL INTEGRATE THE TIDELANDS INTO A FUNCTIONAL REGIONAL TRANSPORTATION NETWORK

- Encouraging development of improved major rail, water and air systems linking the San Diego region with the rest of the nation.
- Improved automobile linkages, parking programs and facilities, so as to minimize the use of waterfront for parking purposes
- Providing pedestrian linkages
- Encouraging development of non-automobile linkage systems to bridge the gap between pedestrian and major mass systems.

The existing site is currently an 880-space surface public parking lot. The proposed development would include construction of a 1,300 space underground parking garage including 300 public parking spaces beyond that necessary to serve the proposed hotel and retail development. As a result, there would be 580 less parking spaces available to

Lane Field
Attachment "A" dated 1/31/08

2

downtown and waterfront visitors. As noted in the above policies, a parking lot is not necessarily the best or most appropriate use of prime waterfront land, but when removing parking and increasing the intensity of development, providing alternative parking programs and facilities is necessary in order to maintain public access to the coast.

The hotel operator has developed a "Multimodal Transit Opportunity Promotion Plan" identifying programs that the hotel would be implementing to promote non-automobile transit. Guest services would include as a shuttle service with service to and from the airport and other en-route destinations within downtown San Diego, parking spaces reserved for advanced systems low emission vehicles, discounted trolley and bus passes, pedi-cab staging facilities, and shuttle services to and from the Convention Center for guests. Employees would be offered reduced transit fares, reduced parking fees for low emission vehicles, carpooling, and car sharing, and on-site bicycle parking with shower and locker facilities. Although this plan has not specifically been incorporated into the coastal development permit at this time, the Port District has indicated its willingness to do so.

However, while these are positive features, they do not address the lack of "non-automobile linkage systems to bridge the gap between pedestrian and major mass systems"—namely some form of a downtown shuttle that would serve both hotel guests and the general public to ensure that the continuing major development projects occurring on the waterfront do not result in congestion reducing public access to the shoreline, particularly in the summer.

Many California coastal communities operate downtown or shoreline shuttles on a fulltime or seasonal basis, including Santa Monica, Capitola, Long Beach, Santa Barbara, Monterey, and Laguna Beach. These public shuttles provide linkages between visitor-serving amenities, (in some cases, free of charge), in order to reduce congestion and pollution. The Port has long indicated its support for concept of a waterfront/downtown shuttle, but there is currently no timeline to plan, develop, or implement any such system, nor does the Port require new development such as the subject project to contribute to the development of a shuttle service. The Port included a requirement in the approved coastal development permit that the applicant "comply with all applicable public access requirements including participation in a bayside shuttle system upon District implementation of that system." Instead of a vague requirement to "participate" in a shuttle, at the project level of approval, the Port should be identifying specifically how and when this particular development will be assessed a fairshare contribution to implementation of a bayside shuttle system.

Port policies call for encouraging the development of recreation by the expenditure of public moneys the construction of facilities and the promotion of tidelands. The Port has pointed to the significant challenges involved in coordinating implementation of a downtown shuttle given the need to coordinate with the City of San Diego and the Metropolitan Transit District. Certainly, a shuttle service would ideally link downtown, the Gaslamp District, and Balboa Park to the waterfront. However, even a preliminary shuttle service that operated in the summer linking all of the waterfront hotels from Shelter Island, to Harbor Island, to the North Embarcadero, Seaport Village, the South

Lane Field
Attachment "A" dated 1/31/08

3

Embarcadero, and the Convention Center, all of which are within the Port District jurisdiction, could be developed through a public/private partnership between the Port District and its lessees. Such a service would be hugely beneficial to the public in traversing the shoreline and reducing reliance on automobile transit.

The proposed development will significantly increase the density and intensity of use along the waterfront without providing offsetting benefits to public access, inconsistent with the certified Port Master Plan.

In addition, the project would consist entirely of high-end luxury hotel rooms, thus encouraging exclusory uses on tidelands. When exclusive visitor accommodations are located on the waterfront, they occupy area that would otherwise be available for lower cost visitor and recreational facilities. The problem with exclusivity of shoreline accommodations is becoming increasingly acute throughout California. The particular distinction in the subject case is that the site is publicly owned land held in trust by the Port District. The Port District therefore has the ability to ensure the provision of lower-cost overnight facilities in a way that is much more difficult for the Commission or local governments to accomplish when regulating development of privately owned land. Lower-cost overnight facilities *could* be provided and encouraged along San Diego Bay, consistent with the policies of the Coastal Act. However, the Port Master Plan currently does not contain any specific policy statements addressing the provision of lower-cost visitor and recreational facilities in new development. It also does not contain any policies protecting existing or encouraging new lower cost facilities within Port tidelands. As a result, there are no motels, campgrounds, or youth hostels on Port tidelands. Even transient boat mooring rates in San Diego Bay have increased substantially in recent years.

There is a place for higher-end facilities in the Port District, but it should be as one component of a wide range of facilities available to serve all segments of the population, to ensure the shoreline is available to everyone. There are several ways in which the increasing exclusivity of San Diego shoreline development could have been addressed at the proposed project site. In review of coastal development elsewhere in the coastal zone, the Commission has required either the provision of lower cost visitor accommodations within proposed development or allowed for the payment of a fee in lieu of actual construction of affordable units (ref. CDP #5-87-675 Marina Del Rey Ritz Carlton; CDP A5-RPV-91-46 Rancho Palos Verdes; CDP #6-92-203 Sport Shinko). These requirements were associated with proposals for new development which precluded development of lower cost facilities. The Marina Del Rey Ritz Carlton and the Sport Shinko developments did not involve loss of existing affordable recreational opportunities. Such fees are used for land acquisition, construction and/or to subsidize the provision of lower cost visitor-serving accommodations within a high-cost facility or off-site in the project vicinity. Provision of low-cost accommodations either directly or through contributions to organizations such as San Diego Hostelling International USA (Hostelling International is a non-profit organization with more than 4,000 hostels in over 60 countries, including two in San Diego), and/or developing campgrounds on public tidelands would also be a suitable means to offset the impact of high-cost hotels on public

Lane Field
Attachment "A" dated 1/31/08

4

tidelands otherwise available to serve a larger segment of the population with lower cost visitor facilities.

Thus, the proposed permit is not consistent with the project approved in the certified Port Master Plan, or with the goals of the Port Master Plan supporting public access and recreational opportunities for all of the people.

STATE OF CALIFORNIA - THE RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA COASTAL COMMISSION

SAN DIEGO COAST DISTRICT OFFICE
 7575 METROPOLITAN DRIVE, SUITE 103
 SAN DIEGO, CA 92108-4421
 VOICE (619) 767-2370 FAX (619) 767-2384

**APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT****Please Review Attached Appeal Information Sheet Prior To Completing This Form.****SECTION I. Appellant(s)**

Name: Ian Trowbridge (3444 Hawk St.)

Mailing Address: 3444 Hawk St.

City: San Diego

Zip Code: 92103

Phone: 619-755-0155

SECTION II. Decision Being Appealed

1. Name of local/port government:

Port of San Diego

2. Brief description of development being appealed:

Lane Field

3. Development's location (street address, assessor's parcel no., cross street, etc.):

Harbor Drive and Broadway

4. Description of decision being appealed (check one.):

- ☒ Approval; no special conditions
☐ Approval with special conditions:
☐ Denial

Note: For jurisdictions with a total LCP, denial decisions by a local government cannot be appealed unless the development is a major energy or public works project. Denial decisions by port governments are not appealable.

TO BE COMPLETED BY COMMISSION:

APPEAL NO: A-6-PSD-08-004

DATE FILED: [Signature]

DISTRICT: San Diego

EXHIBIT #2**Trowbridge Appeal Form**

PMPA #A-6-PSD-08-004 Lane Field

California Coastal Commission

RECEIVED

JAN 10 2008

 CALIFORNIA
 COASTAL COMMISSION
 SAN DIEGO COAST DISTRICT

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 2)

5. Decision being appealed was made by (check one):

- ☐ Planning Director/Zoning Administrator
☐ City Council/Board of Supervisors
☐ Planning Commission
☒ Other

6. Date of local government's decision: January 8, 2008

7. Local government's file number (if any): _____

SECTION III. Identification of Other Interested Persons

Give the names and addresses of the following parties. (Use additional paper as necessary.)

a. Name and mailing address of permit applicant:

Unknown

b. Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

(1) Available as a matter of public record from the Port of San Diego

(2)

(3)

(4)

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 4)

SECTION V. Certification

The information and facts stated above are correct to the best of my/our knowledge.

SIGNATURE ON FILE

Signature of Appellant(s) or Authorized Agent

Date: January 9, 2008

Note: If signed by agent, appellant(s) must also sign below.

Section VI. Agent Authorization

I/We hereby authorize _____
to act as my/our representative and to bind me/us in all matters concerning this appeal.

Signature of Appellant(s)

Date: _____

STATE OF CALIFORNIA - THE RESOURCES AGENCY

ARNOLD SCHWARZENEGGER, Governor

CALIFORNIA COASTAL COMMISSION

SAN DIEGO COAST DISTRICT OFFICE
7575 METROPOLITAN DRIVE, SUITE 103
SAN DIEGO, CA 92108-4421
VOICE (619) 767-2370 FAX (619) 767-2384

**APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT****Please Review Attached Appeal Information Sheet Prior To Completing This Form.****SECTION I. Appellant(s)**

Name: Marc D. Joseph & Suma Peesapati on behalf of UNITE-HERE Local 30
Mailing Address: Adams Broadwell Joseph & Cardozo, 601 Gateway Blvd., Suite 1000
City: South San Francisco Zip Code: 94080 Phone: 650/589-1660

SECTION II. Decision Being Appealed

1. Name of local/port government:

San Diego Unified Port District

2. Brief description of development being appealed:

The Proposed Project includes: 1) Prolongation of "C" Street, which may be flanked by retail shops/restaurants, and landscaping. 2) An approximately 200-foot tall hotel north of the prolongation of "C" Street, which would include approximately 275 guest rooms and suites, approximately 30,000 square feet of retail and restaurants, ballrooms, meeting rooms, and other ancillary uses on Lane Field North. (See attached for continued description)

3. Development's location (street address, assessor's parcel no., cross street, etc.):

North of Broadway between North Harbor Drive and Pacific Highway, San Diego, California.

4. Description of decision being appealed (check one.):

- ☐ Approval; no special conditions
☒ Approval with special conditions:
☐ Denial

Note: For jurisdictions with a total LCP, denial decisions by a local government cannot be appealed unless the development is a major energy or public works project. Denial decisions by port governments are not appealable.

TO BE COMPLETED BY COMMISSION:

APPEAL NO: A-6-PSD-08-004

DATE FILED: 1/25/08

DISTRICT: San Diego

EXHIBIT #3**UNITE-HERE Appeal Form****PMPA #A-6-PSD-08-004 Lane Field**

California Coastal Commission

2. Brief description of development being appealed
(continued from page 1)

3) An approximately 275-foot tall hotel south of the prolongation of "C" Street, between Pacific Highway and Harbor Drive, which would include approximately 525 guest rooms and suites, approximately 50,000 square feet of retail and restaurants, ballrooms, meetings rooms and other ancillary uses on Lane Field South. 4) An approximately 1,276 space public and private subterranean parking garage. 5) Demolition of the existing surface parking lot and removal of all surface features.
(Application No. 2007 07-49-144)

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 2)

5. Decision being appealed was made by (check one):

- ☐ Planning Director/Zoning Administrator
☐ City Council/Board of Supervisors
☐ Planning Commission
☒ Other Port District Commissioners

6. Date of local government's decision: January 8, 2008

7. Local government's file number (if any): UPD #83356-702; CDP-2008-01

SECTION III. Identification of Other Interested Persons

Give the names and addresses of the following parties. (Use additional paper as necessary.)

a. Name and mailing address of permit applicant:

Lane Field San Diego Developers, LLC
c/o Lankford & Associates, Inc.
Attn: Jerome M. Trammer
655 West Broadway, Suite 1450
San Diego, CA 92101

b. Names and mailing addresses as available of those who testified (either verbally or in writing) at the city/county/port hearing(s). Include other parties which you know to be interested and should receive notice of this appeal.

(1) See attached

(2)

(3)

(4)

Attachment to Section III, b.

1.	Mayor Sanders City of San Diego 202 C Street San Diego, CA 92101
2.	Nancy Graham CCDC 225 West Broadway San Diego, CA 92101
3.	Cheryl Kendrick Chair, Board of Directors San Diego Convention Center Corp. 111 W. Harbor San Diego, CA 92101
4.	Julie Meier Wright San Diego Regional EDC 530 B Street, 7 th Floor San Diego, CA 92101
5.	Ian Trowbridge 3444 Hawk Street San Diego, CA 92102
6.	Gregory Pollock (Seed time to Ian Trowbrire)
7.	Don Wood Bayfront Complex Coalition 4539 Lee Avenue La Mesa, CA 91941
8.	Diane Coombs Citizens Coordinate for Century 3 6424 Del Paso Avenue San Diego, CA 92120
9.	John McNab 1333 29 th Street San Diego, CA 92102
10.	Lorena Gonzalez Labor Council
11.	Graham Forbes UNITE HERE Local 30 3737 Camino Del Rio South San Diego, CA 92108

12.	Suma Peesapati UNITE HERE Local 30 601 Gateway Blvd., Suite 1000 South San Francisco, CA 94080
13.	Scott Andrews Save Everyone's Access 2241 4 th Avenue San Diego, CA 92101
14.	Ramona Kiltz 1199 Pacific Highway San Diego, CA 92101
15.	Sherman Harmer Downtown Builders Alliance 620 First Avenue San Diego, CA 92101
16.	Todd Voorhees Downtown San Diego Partnership 401 B Street San Diego, CA 92101
17.	Salvatore Giametta San Diego Convention & Visitors Bureau 2215 India Street San Diego, CA 92101
18.	Howard Greenstein City of San Diego City Planning & Community Investment Dept. 202 C Street, M.S. 5A San Diego, CA 92121
19.	Gary Smith San Diego Downtown Residents Group 701 Kittner Boulevard San Diego, CA 92101
20.	Angelika Villagrana San Diego Reg. Chamber of Commerce 402 W. Broadway #1000 San Diego, CA 92101
21.	Michael Burton Grubb & Ellis 350 10 th Avenue #910 San Diego, CA 92101

22.	Daniel Fitzgerald Grubb & Ellis/BRE 350 10 th Avenue #910 San Diego, CA 92101
23.	Tom Sullivan Irvine Co. 500 W. Broadway San Diego, CA 92101
24.	Rob Lankford Lane Field San Diego Developers 655 W. Broadway San Diego, CA 92101
25.	Sharon Cloward San Diego PTA 2390 Shelter Island Drive #210 San Diego, CA 92106
26.	Jerry Trammer Lane Field San Diego Developers 655 W. Broadway San Diego, CA 92101
27.	Stacey Lankford Pennington SLP Urban Planning 655 W. Broadway San Diego, CA 92101

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 3)**SECTION IV. Reasons Supporting This Appeal****PLEASE NOTE:**

- Appeals of local government coastal permit decisions are limited by a variety of factors and requirements of the Coastal Act. Please review the appeal information sheet for assistance in completing this section.
- State briefly **your reasons for this appeal**. Include a summary description of Local Coastal Program, Land Use Plan, or Port Master Plan policies and requirements in which you believe the project is inconsistent and the reasons the decision warrants a new hearing. (Use additional paper as necessary.)
- This need not be a complete or exhaustive statement of your reasons of appeal; however, there must be sufficient discussion for staff to determine that the appeal is allowed by law. The appellant, subsequent to filing the appeal, may submit additional information to the staff and/or Commission to support the appeal request.

See attached letter re: Reasons Supporting This Appeal of the Issuance of a Coastal Development Permit to the Lane Field Hotel Development Project (dated 01/23/08).

APPEAL FROM COASTAL PERMIT DECISION OF LOCAL GOVERNMENT (Page 4)**SECTION V. Certification**

The information and facts stated above are correct to the best of my/our knowledge.

SIGNATURE ON FILE

Signature of Appellant(s) or Authorized Agent

Date: January 23, 2008

Note: If signed by agent, appellant(s) must also sign below.

Section VI. Agent Authorization

I/We hereby authorize Adams Broadwell Joseph & Cardozo (M.D. Joseph/Suma Peesapati)
to act as my/our representative and to bind me/us in all matters concerning this appeal.

SIGNATURE ON FILE

Signature of Appellant(s)

Date: January 23, 2008



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

**NOTICE OF BOARD ACTION
On An Appealable Coastal Development Permit**

Project: North Embarcadero Visionary Plan, Lane Field North and South Development Project

Location: North of Broadway Street between Pacific Highway and Harbor Drive, San Diego, California

Date: January 15, 2008

RECEIVED
JAN 16 2008

PROJECT LOCATION

The Lane Field Development Project (Project) site is located at the intersection of Harbor Drive and Broadway Street in Planning District 3, Centre City Embarcadero, of the certified Port Master Plan (PMP) in the City of San Diego, San Diego County, California. The Project site is delineated on Precise Plan Map Figure 11. The Project site is adjacent to the United States Navy (Navy) property located at 1220 Pacific Highway to the north and bounded by Pacific Highway to the east, Broadway Street to the south, and Harbor Drive to the west. The Project is situated in the city of San Diego on Coastal Zone State Tidelands administered by the San Diego Unified Port District under a certified PMP.

SAN DIEGO COAST DISTRICT

PROJECT DESCRIPTION

The North Embarcadero Alliance Visionary Plan Master Environmental Impact Report (NEVP MEIR) analyzed the infrastructure improvements outlined in the NEVP along with four subsequent projects including the Lane Field Development. Lane Field Developers San Diego, LLC (referred to herein as ("Permittee")) proposes to redevelop the Project site as follows:

1. Existing Surface Parking

The approximately 5.7 acre Lane Field site is currently occupied by a 880-space surface parking lot operated by Five Star Parking. Temporary structures are also located on the leasehold including an information booth, ticket sales booth, a shed, and an ATM. All existing facilities will be removed/demolished prior to or as part of construction of the Project. Site infrastructure will remain or will be relocated as necessary. An existing monument to the former Lane Field baseball stadium located on the site will be relocated within the Project boundaries.

San Diego Unified Port District

EXHIBIT #4

Port CDP

PMPA #A-6-PSD-08-004 Lane Field
California Coastal Commission



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

2. Parking Structure

A subterranean parking structure containing approximately 1,330 spaces will be constructed as part of the Project. The parking structure will be two-levels constructed across the majority of the Project site below grade and beneath the proposed structures and plaza. Primary access to the parking structure will be from the Project driveway at the prolongation of C Street off Pacific Highway with additional access off Pacific Highway.

The Project will provide all parking on-site with an additional 300 public parking spaces beyond peak demand projected for the hotel and retail operations. The parking structure will be operated by Permittee or its designee as a combined self-park and valet facility serving hotel guests, retail patrons, and waterfront visitors. Parking fees will be set at market rates. Additionally, parking garage capacity could expand to 1,552 spaces through an all-valet configuration to allow the Permittee to accommodate additional parking demand during special events if the need should arise.

3. Lane Field North

Lane Field North, the parcel north of the prolongation of "C" Street between Pacific Highway and Harbor Drive, will include a hotel, retail, and public parking. At approximately 17 stories, the hotel on Lane Field North will be approximately 205-feet tall and will include approximately 275 guest rooms, a health club/spa of approximately 15,000 square feet, pools, ballrooms, and meeting rooms.

A three-story podium building surrounding the hotel will include approximately 30,000 square feet of visitor serving retail. The rooftop of the podium building will include a publicly-accessible terrace activated by outdoor dining and special event areas offering views of San Diego Bay and Coronado. The rooftop will be accessible to the public and hotel guests via glass-faced elevator located at the street level on Harbor Drive and from escalators and elevators located within the hotel lobby. Public art will also be incorporated into areas of the site to which the public has access.

A portion of the subterranean parking facility described above will be located on two levels below Lane Field North and will serve hotel guests, retail patrons, and other waterfront visitors.

4. Lane Field South

Lane Field South, the parcel immediately south of Lane Field North, includes the prolongation of "C" Street and the area between Pacific Highway and Harbor Drive south to Broadway. The site will include a hotel, retail, and public parking.



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

At approximately 22 stories, the hotel on Lane Field South will be approximately 275-feet tall and will include approximately 525 guest rooms, a health club/spa of approximately 15,000 square feet, pools, ballrooms, and meeting rooms.

A three-story podium building surrounding the hotel will include approximately 50,000 square feet of visitor serving retail. The rooftop of the podium building will include a publicly-accessible terrace activated by outdoor dining and special event areas offering views of San Diego Bay and Coronado. The rooftop will be accessible to the public and hotel guests via glass-faced elevator located at the street level on Harbor Drive and from escalators and elevators located within the hotel lobby. Public art will also be incorporated into areas of the site to which the public has access, which, in addition to the areas described above, include the prolongation of "C" Street and the Broadway Plaza.

A portion of the subterranean parking facility described above will be located on two levels below Lane Field South and will serve hotel guests, retail patrons, and other waterfront visitors.

5. Public Access and View Corridors

The Project includes the prolongation of "C" Street as a view corridor and private drive. The location is approximately 10 feet to the north of the location described in the North Embarcadero Visionary Plan schematic design. This alignment allows for better coordination of the site development plan, corresponds to the site planning efforts on an adjacent parcel to the east across Pacific Highway (being developed by the Irvine Company), facilitates ingress and egress to the site, and enhances the view corridor. The prolongation of "C" Street has never been and is not intended to be a dedicated public street or undedicated tidelands street, but rather a private drive serving as the main point of entry to the parking garage and hotels, and facilitating vehicular and pedestrian circulation throughout the Project.

Plaza areas will be open to the public along the prolongation of "C" Street, at a park/plaza located along Broadway, and on the rooftops of the podium buildings surrounding the hotels. These public areas will be activated by restaurants, retail, and public art, and will offer views of San Diego Bay and Coronado. The plazas and public areas in combination with the set backs and step backs applied to structures establish the view corridors along Broadway and the prolongation of "C" Street. Street trees and landscaping along Broadway have been coordinated with and are consistent with the NEVP JPA requirements, the members of which include the District, City of San Diego, and Center City Development Corporation.

6. Construction



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

The underground parking structure will require dewatering during construction only and excavation of approximately 115,000 cubic yards of material. The excavated material will be exported off-site and disposed of or used for beach sand replenishment if determined suitable. The estimated duration of construction is approximately 36 months. To the extent possible, construction staging for equipment, materials as well as vehicular parking will occur primarily onsite. Construction employee parking will be accommodated both onsite and offsite at a location which will be chosen based on its proximity to the Project site and to public transportation. The Permittee will provide and implement a construction parking management plan.

ARTICLE 1-CONSISTENCY WITH CERTIFIED PORT MASTER PLAN & CALIFORNIA COASTAL ACT

The Project site is located within the Civic Zone subarea of Planning District 3, Centre City Embarcadero, which is delineated on Precise Plan Map Figure 12 of the Port Master Plan (PMP). The PMP recognizes that the development of Lane Field is the most important component of the Civic Zone. While the PMP refers to Lane Field as the entire area bounded by Pacific Highway, Broadway, Harbor Drive and Ash Street, the Project includes only the Lane Field North and South sites and does not include at this time the Navy Facilities Engineering Command site, also known as 1220 Pacific Highway. The PMP states that a 600 to 800 room hotel is the primary use of this site with an array of other development options intended to retain flexibility. The PMP Precise Plan land use map designates the Lane Field site as Commercial Recreation with a strip of Park/Plaza designation along Harbor Drive. The Permittee has prepared the Lane Field Public Access Program to ensure that public access requirements of the PMP and the Coastal Act are incorporated into the Project. The Lane Field Public Access Program defines the pedestrian access integrated throughout the site and identifies management of the public access. The areas governed by the Lane Field Public Access Program include the ground level, the rooftop of the podium buildings surrounding the hotels, and the vertical circulation elements.

The attached Table A Development Intensity at Lane Field and Entitlements describes the Project in terms of various development standards and compares them to those development standards described in the PMP and the NEVP MEIR. As indicated in this table, the Lane Field Project either conforms to or is less intensive than the existing PMP entitlement maximums and the Lane Field Subsequent Project analyzed in the NEVP MEIR in terms of building height, Floor Area Ratios (FARs), setbacks, stepbacks, parking and total number of hotel rooms. Staff has analyzed the Project and has determined that it is consistent with the PMP text and land use designation.

The Project is located between the sea (as defined in the Coastal Act) and the first inland continuous public road paralleling the sea. The Project is not



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

considered "Excluded" under the District's Coastal Development Permit Regulations (Regulations). In accordance with the Regulations, the Project is "Appealable" because it does not qualify as a "Non-Appealable" or "Emergency" development. Appealable Coastal Development Permits (CDP) can be appealed to the California Coastal Commission within 10 working days of the Coastal Commission's receipt of the CDP.

Copies of the Categorical Determination, CDP application, and draft CDP have been provided to the Board. Special conditions will be incorporated into the CDP (Attachment A) to ensure Project conformance with the NEVP MEIR mitigation requirements as set out in the Initial Study.

ARTICLE 2-PUBLIC ACCESS

The Project is consistent with Sections 30210, 30211, 30212, 30212.5, 30213, and 30214. The Project is located adjacent to coastal resources. The closest existing coastal access and recreational amenities consist of the promenade along the downtown waterfront on the west side of Harbor Drive, which is adjacent to the Project. In addition to the promenade, piers open to the public, public restaurants, the USS Midway Aircraft Carrier Museum, and long and short term watercraft experiences (cruises and tours) are available to the public along the promenade in the vicinity of the Project. These existing amenities will not be adversely impacted by the Project and may benefit from the increased number of waterfront visitors which will be drawn to the Project.

The Project will enhance access and recreational opportunities for the general public consistent with public safety needs and the public's right of access to the sea by providing a park/plaza areas and sidewalks that are all connected at street level throughout the Project as well as publicly-accessible terraces activated by outdoor dining and special event areas offering views of San Diego Bay and Coronado accessible via two glass-faced elevators located at the street level public plazas (see Attachment B Lane Field Public Access Program).

Public pedestrian access will be provided along the "C" Street prolongation, creating an additional pedestrian linkage between the waterfront to the west and transit areas to the east including the nearby Santa Fe Depot (Amtrak, Coaster, and Trolley station). The public pedestrian sidewalk through the center of the Project will be between 17 feet and 34 feet on the north side of the street and between 12 feet and 22 feet on the south side of the street. The broadest areas will be at the west and east ends of the prolongation of "C" Street, along which visitor-serving retail will be located. Seating opportunities may be provided in the broadest portions, particularly on the north side where sunlight will be greatest. The sidewalks narrow on both sides of the prolongation of "C" Street at the approximate midpoint around a loop wherein vehicles will



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

circulate. Additionally, the center of the vehicular loop will feature a prominent public art waterscape reflecting the waterfront character of the Project.

A public sidewalk and park/plaza area will extend the length of the Project adjacent to Broadway that will expand from 55 feet at the eastern end to 110 feet at the western end. The park/plaza will provide informal public seating, landscaped islands intended to be engaged by the public, and may include a water feature. Sidewalks will be provided along the Project adjacent to Harbor Drive and Pacific Highway to facilitate north-south pedestrian movement connecting the prolongation of "C" Street with public plaza areas on Broadway Street to the south and the future "B" Street to the north. The sidewalk along the Project adjacent to Pacific Highway will be approximately 12 feet wide. The sidewalk along the Project adjacent to Harbor Drive will be approximately 25 feet wide. Adjacent to the Harbor Drive sidewalk will be glass-faced elevators for public access to the rooftop terraces that occupy the west end of the podium structures surrounding the hotels. Both terraces will provide public views of San Diego Bay and Coronado, and will be activated by outdoor dining and special event areas available to the public. Public access to the rooftop terraces will be provided consistent with the hours of operation of the hotel and retail facilities, currently anticipated to be from 6 am through 2 am.

Public access to the existing sidewalks along the Project adjacent to Pacific Highway, Broadway Street, and Harbor Drive will be temporarily unavailable during construction. Detours will be signed and provided as necessary to ensure the safety of pedestrians. The detour will be removed as soon as construction clears and the sidewalks, including the enhancements to public access described above, are re-opened.

The existing 880 public parking spaces would be displaced by the Project. In accordance with the NEVP MEIR, 300 public parking spaces in addition to the parking spaces required to satisfy peak demand for the Project, will be provided onsite. Parking will be managed as a combined valet and self park facility with the flexibility to be operated as an all-valet facility as demand dictates. Management of the facility shall ensure that no less than 300 spaces are available to the public at all times. During construction, no public parking will be available onsite to replace the displaced surface parking, but public parking serving the North Embarcadero area will be provided in accordance with the NEVP Parking Management Plan(s) implemented consistent with the requirements of the NEVP MEIR. Construction parking will be provided both on-site and off-site on a property to be chosen based on its proximity to the Project site and to public transportation. Attachment C Lane Field Parking Management Plan details the Permittee's planned management of parking during construction and operation of the Project.

ARTICLE 3-RECREATION



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

The Project is consistent with Section 30220, 30221, 30222, 3022.5, 30223, and 30224. The Project will not adversely impact coastal areas suited for water-orientated recreational activities; oceanfront land suitable for coastal dependent aquaculture; upland areas necessary to support coastal recreational uses; or recreational boating use of coastal waters. The Project will enhance oceanfront land suitable for recreational use by providing new hotels, retail, and restaurant amenities for visitors as well as enhanced public plazas, sidewalks, and rooftop terraces with views of San Diego Bay and Coronado. The Project is a subsequent project described in the NEVP and intended to improve the recreational waterfront experience of the Bay for visitors. Revenues from the Project will also help fund the NEVP public improvements, including broadening the promenade along Harbor Drive, realigning Harbor Drive, and improving water quality during flood events. Public access signage will be strategically placed within the Project to clearly identify plazas, sidewalks, lobbies, elevators, and rooftop terraces open to the public.

ARTICLE 4-MARINE ENVIRONMENT

The Project is consistent with Section 30230, 30231, 30232, 30233, 30234, 30234.5, 30225, 30236, and 30237. The Project does not involve diking or dredging of open coastal waters, wetlands, estuaries, or lakes; commercial fishing or recreational boating facilities; any fishing activities; any natural shoreline altering construction; alterations of rivers or streams; or Bolsa Chica wetlands. The Project will be subject to the Standard Urban Stormwater Mitigation Plan (SUSMP) requirements of the Municipal Stormwater Permit. SUSMP requirements are meant to incorporate Best Management Practices including Low Impact Development features in the design phase of new development projects. The Project will also require implementation of a Storm Water Pollution Prevention Program (SWPPP) during construction. Construction of the Project will encounter groundwater during construction and require dewatering activities in accordance with mitigation measures, which stipulate that discharge shall meet the effluent limits specified by the RWQCB (order No. 90-31) and Federal National Pollution Discharge Elimination System (NPDES) requirement.

ARTICLE 5-LAND RESOURCES

The Project is consistent with Section 30240, 30241, 30241.5, 30242, 30243, and 30244. The Project is not located in or adjacent to any environmentally sensitive habitat areas; does not involve any prime agricultural land; does not involve productive soils and timberlands; and does not involve archaeological or Paleontological resources.

ARTICLE 6-DEVELOPMENT



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

The Project is consistent with Section 30250, 30251, 30252, 30253, 30254, 30254.5, and 30254. The Project will be located in close proximity to existing developed areas; does not involve hazardous industrial development; will facilitate visitor-serving uses by providing new hotel rooms, visitor-serving retail, restaurants, and pedestrian orientated plazas, sidewalks, public art, public seating, public elevators, and public rooftop terraces with views of San Diego Bay and Coronado. The Project will enhance the destination experience of the San Diego waterfront providing more appealing views than currently exist and facilitating enhanced view experiences of existing areas consistent with the setback and step back requirements presented in the certified PMP (page 75) as outlined in the attached Table "A." The south hotel tower will be approximately 275 feet tall and the north hotel tower will be approximately 205 feet tall. Both towers will be orientated east-to-west to enhance views of San Diego Bay and Coronado and to enhance the Broadway and prolongation of "C" Street view corridors.

Public access will be provided through the Project along the prolongation of "C" Street, plazas and sidewalks along Broadway, sidewalks along Harbor Drive and Pacific Highway, the lobby of the south hotel tower, and on rooftop terraces on the third floor of the podium buildings surrounding the hotels, as well as vertically via elevators from Harbor Drive to the podium building rooftops. Public pedestrian access along the prolongation of "C" Street and widened access along Broadway Street will enhance public access to San Diego Bay particularly from public transit stations (Santa Fe train and trolley station) by providing a more direct and inviting route westward than currently exists. The rooftop terraces will increase visual public access by providing public areas that afford elevated views across San Diego Bay accessed directly via public elevators from public areas at street level. Retail and restaurant uses of the Project will activate the public areas permeating the Project, thereby enhancing the appeal and use of the area by the public without encumbering public access.

The site is not located within a State designated Alquist-Priolo Earthquake Fault Zone but is within the City of San Diego Downtown Special Fault Zone. Geocon Incorporated prepared a Geotechnical and Geologic Fault Report in May 2007 because the site is adjacent to a City of San Diego Downtown Special Fault Zone. The geophysical survey included supplemental cone penetration test (CPT) soundings. The results of the geophysical survey and associated CPT data indicate that faulting is not evident at the site indicating that no active or potentially active faults transect the site. Hydraulic fills and Bay Deposits present are considered unsuitable for the support of the structures and will be required to be removed where they cannot be recompacted to meet structural engineering standards. The recommendations contained in the Geotechnical and Geologic Fault Report must be followed during site preparation activities. The geotechnical recommendations include specific measures for dewatering, pile driving,



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

excavation slopes, shoring, trenching, concrete, drainage, and construction and post construction consideration.

Implementation of the Project will not create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area nor will require improvements that would substantially alter natural landforms along bluffs and cliffs; and will not result in significant air quality impacts. The Project has been designed with features such as 'fuel cell cogeneration' that will minimize energy consumption consistent with the intent of the California Legislature Assembly Bill 32 (see Attachment D Lane Field Sustainability Initiatives Global Warming Assessment). The Project is located in close proximity to regional and local rail stations as well as nearby water transit, cruise ship berths and the San Diego International Airport and has been designed with features such as an airport shuttle system to minimize vehicle miles traveled.

The Project is not located in a special community or neighborhood, which because of its unique characteristics, is a popular visitor destination point for recreational uses; public works facility; nor associated with a sewage treatment plant.

ARTICLE 7-INDUSTRIAL DEVELOPMENT

The Project is consistent with Section 30260, 30261, 30262, 30263, 30264, 30265, and 30265.5. The Project does not involve a coastal-dependent use of existing or new tanker facilities; is not considered oil or gas development; does not involve refineries or petrochemicals facilities; thermal electric generating plants, or oil production and transport.

BOARD ACTION

By Resolution 2008-15 adopted on January 8, 2008, the Board of Port Commissioners (Board) found that the subject development conforms to the certified Port master Plan of the San Diego Unified Port District and APPROVED the issuance of a Coastal Development Permit as noted [X] below:

- [] This development had been approved as submitted.
- [X] This development has been approved subject to the terms, conditions and provisions stated in Attachment A to this Notice.

The following noted [X] item applies to this finding:

- [] This action is NOT APPEALABLE under Section 30715 of the California Coastal Act. The Executive Director will issue the permit to the applicant. No work shall be performed until receipt of the permit.



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

[X] This action is APPEALABLE under Section 30715 of the California Coastal Act. This notice will be sent within five (5) working days of the above stated date to the California Coastal Commission. Appeals must be filed with Commission within ten (10) working days of receipt by the California Coastal Commission of this notice. Prospective appellants should contact the California Coastal Commission for more information.

Two (2) correspondences by interested parties were received on this Coastal Development Permit (see Attachment E). There were **twenty-six (26)** speakers present at the public hearing on January 8, 2008. Audio of the Board meeting is available by contacting the Office of the District Clerk. The Board approved the Project at the January 8, 2008 hearing.

BRUCE B. HOLLINGSWORTH
Executive Director

(SIGNATURE ON FILE)

By: _____
RALPH T. HICKS
Director, Land Use Planning

Enclosure(s): Attachment A: Appealable Coastal Development Permit Conditions
Attachment B: Lane Field Public Access Program
Attachment C: Lane Field Parking Management Plan
Attachment D: Lane Field Sustainability Initiatives Global Warming Assessment
Attachment E: Correspondence on Appealable Coastal Development Permit
Figure 1: Project Location Map
Table A: Development Intensity at Lane Field and Entitlements



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

ATTACHEMENT A
[DRAFT] COASTAL DEVELOPMENT PERMIT

Applicant: Lane Field San Diego Developers, LLC
655 West Broadway Street, Suite 1450
San Diego, California 92101

Project: North Embarcadero Visionary Plan Lane Field Development Project

Location: North of Broadway Street between Pacific Highway and Harbor Drive

You are hereby granted a Coastal Development Permit. This permit is issued in conformance with the California Coastal Act of 1976 and the Coastal Permit Regulations of the San Diego Unified Port District, as adopted by the Board of Port Commissioners on July 1, 1980, Resolution No. 80-193, and as amended on December 2, 1980, Resolution No. 80-343 and on February 14, 1984, Resolution No. 84-62, in accordance with the provisions for the issuance of a [] Emergency [] Non-appealable [X] Appealable Coastal Development Permit.

Date of Board Action: January 08, 2008

Board of Port Commissioners Resolution Number: 2008-xxx

Date of Permit: January 23, 2008

Application Number: 2007 07-49-144

Permit Number: CDP-2008-01

The proposed project is located between the first inland continuous public road paralleling the sea (as defined in the California Coastal Act) and the second inland continuous public road paralleling the sea. The project is fully consistent with Public Resource Code Sections 30604(c), 30210-30224, and the California Coastal Act public access and recreation policies referenced therein.

This permit is limited to the development below and set forth in material on file with the San Diego Unified Port District (District), and subject to the terms, conditions, and provisions hereinafter stated:

DEVELOPMENT

The proposed project is situated in the city of San Diego on Coastal Zone State Tidelands administered by the San Diego Unified Port District under a certified



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

PMP. Lane Field Developers San Diego, LLC (referred to herein as ("Permittee")) proposes to redevelop the Lane Field leasehold with the following: (1) demolition/removal of existing temporary structures and existing surface parking, (2) construction of a two-level subterranean project and public parking garage containing approximately 1,330-spaces, (3) creation of a public pedestrian landscaped park/plaza along the Broadway Street frontage in front of retail stores and restaurants as well as public terraces at the fifth floor ("Podium Level"), (4) construction of an approximately 205-foot tall hotel with approximately 275 rooms and approximately 30,000 square feet of retail/restaurant tower on the northerly portion of the leasehold (Lane Field North), and (5) construction of an approximately 275-foot tall hotel with approximately 525 rooms and approximately 50,000 square feet of retail/restaurant on the southerly portion of the leasehold (Lane Field South). The project area is approximately 5.7 acres.

1. Existing Surface Parking

The approximately 5.7 acre Lane Field leasehold is currently a 880-space surface parking lot operated by Five Star Parking. Temporary structures are also located on the leasehold including an information booth, ticket sales booth, a shed, and an ATM. All existing facilities will be removed/demolished. Necessary infrastructure components will remain or be relocated as necessary. An existing monument for the former Lane Field will be relocated within the project boundaries.

2. Parking Structure

A subterranean parking structure containing approximately 1,330 spaces will be constructed as part of the proposed project. The parking structure will be two-levels constructed across the majority of the leasehold below grade and beneath the proposed structures and plaza. Access to the parking structure will be from the project driveway at the prolongation of C Street off Pacific Highway with additional access directly off Pacific Highway at the northern extremity of the leasehold.

The proposed project will be self-parked with an additional 300 public parking spaces not dedicated to hotel operations or to the retail. The parking structure will be operated by Permittee or its designee as a combined self-park and valet facility with the ability to be operated entirely as a valet facility dependant on management's assessment of needs but in such a manner that the additional 300 parking spaces will remain available to the public. Parking fees will be set at market rates. Additionally, parking garage capacity could expand to 1,552 spaces by utilizing additional valet parking to allow the operator to accommodate peak parking demand during special events if the need should arise.



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

3. Lane Field North

On the parcel north of the prolongation of "C" Street, between Pacific Highway and Harbor Drive, the proposed Lane Field North hotel will include a hotel lobby, approximately 275 guest rooms and suites, approximately 30,000 square feet of retail and restaurants, a health club and spa of approximately 15,000 square feet, and ballrooms and meeting rooms. Retail and restaurant areas will be located at the ground to third floor elevations along the western, southern, and eastern frontage of Lane Field North. Additional amenities will include a Podium Level event terrace with dining and refreshment facilities at the west end of the structure, to which public access will be provided by a glass-faced elevator from the sidewalk and by both escalators and elevators from the hotel lobby. Offering views toward the San Diego Bay, the terrace deck will feature outdoor dining and event areas. Public art will also be incorporated into the public spaces on the site. A rooftop lounge and event terrace will also be available for public access using express elevators available from within the hotel lobby. The proposed Lane Field North hotel will be approximately 17-stories with an approximate height of 205-feet.

4. Lane Field South

The proposed Lane Field South hotel will include approximately 525 guest rooms and suites, approximately 50,000 square feet of retail uses, including street level restaurants and shopping, ballrooms, meetings rooms, and pools. Retail and restaurant areas will be located at ground to third floor elevations along the western, southern, northern and eastern frontage of Lane Field South. Additional amenities will include a Podium Level event terrace with dining and refreshment facilities at the west end of the structure, to which public access will be provided by an elevator from the sidewalk and by both escalators and elevators from the hotel lobby. The terrace deck will feature outdoor dining, event areas, and provide views of the Bay and Broadway. Public art will also be incorporated into the public spaces on the site. The proposed Lane Field South hotel will be approximately 22-stories, with a height of approximately 275 feet.

5. Public Access and View Corridors

The proposed project includes the prolongation of "C" Street approximately 10 feet to the north of its original location as a designated view corridor described in the North Embarcadero Visionary Plan schematic design. The purpose of this adjustment is to allow better alignment and coordination of the site development plan with site planning efforts on an adjacent parcel to the east (being developed by the Irvine Company), to facilitate ingress and egress to the site, and to enhance the view corridor. "C" Street is proposed to be a private drive facilitating



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

access through the proposed project, but historically has never been and is not intended to be a dedicated public street or undedicated tidelands street.

The proposed project will provide public access into the site and parking facilities at the prolongation of "C" Street off Pacific Highway as well as public pedestrian access through the development from Pacific Highway to Harbor Drive and the waterfront. Plaza areas will also be open to the public along the prolongation of "C" Street, the Broadway Street frontage of the project and on the third floor terraces of each of the proposed hotels. These public areas will be activated by restaurant and retail facilities as well as seating and public art provisions in addition to the beneficial near waterfront location of the site. The plazas and public areas in combination with the set backs and step backs applied to structures maintains the public view corridors along Broadway and C Street. Street trees and landscaping along Broadway Street have been coordinated with and are consistent with NEVP JPA requirements, the members of which include the District, City of San Diego, and Center City Development Corporation.

6. Construction

The underground parking structure will require dewatering during construction only and excavation of approximately 115,000 cubic yards of material. The excavated material will be exported off-site and disposed of or used for beach sand replenishment if determined suitable. The estimated duration of construction is approximately 36 months. To the extent possible, construction staging for equipment, materials as well as vehicular parking will occur primarily onsite. Construction employee parking will be accommodated both onsite and offsite at a location which will be chosen based on its proximity to the proposed project site and to public transportation. As part of the Lane Field development, the Permittee will provide a construction parking management plan.

STANDARD PROVISIONS

1. Permittee shall adhere strictly to the current plans for the project as approved by the District.
2. Permittee shall notify the District of any changes in the project.
3. Permittee shall meet all the local code requirements and ordinances and obtain all necessary permits from local, state, and federal agencies.
4. Permittee shall conform to the permit rules and regulations of the District.
5. Permittee shall be responsible for compliance with ADA and Title 24 specifications.



3165 Pacific Highway, San Diego, CA 92101
 P.O. Box 120488, San Diego, CA 92112-0488
 619.686.6200 • www.portofsandiego.org

6. Permittee shall commence development within two (2) years following the date of the permit issuance by the District. Construction shall be pursued in a diligent manner and completed within a reasonable period of time.
7. The permit is in no way intended to affect the rights and obligations heretofore existing under private agreements nor to affect the existing regulations of other public bodies.
8. This permit shall not be valid unless two copies have been returned to the Land Use Planning Department of the District, upon which copies the Permittee has signed a statement agreeing that the Permittee will abide by the terms, conditions, limitations, and provisions of the permit.
9. All best management practices must be performed during construction and maintenance operations. This includes no pollutants in the discharges to storm drains or to San Diego Bay, to the maximum extent practicable.
10. All Port of San Diego tidelands are regulated under Regional Water Quality Control Board Order No. R9-2007-0001, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS0108758, Waste Discharge Requirements for Discharges of Urban Runoff from the Municipal Separate Storm Sewer Systems (MS4s) Draining the Watersheds of the County of San Diego, the Incorporated Cities of San Diego County, and the San Diego Unified Port District (Municipal Permit). This permit was recently adopted in January of 2007, and replaces the previous permit Order No 2001-01. All jurisdictions are required to be in full compliance with Order R9-2007-0001 by January 24, 2008. The Municipal Permit prohibits any activities that could degrade stormwater quality.

Post-construction / operational use of this project site must comply with the Municipal Permit and District direction related to permitted activities including the requirements found in the District Jurisdictional Urban Runoff Management Document (JURMP). The JURMP is available on the District website: http://www.portofsandiego.org/sandiego_environment/susmp.asp or by contacting the Environmental Services Department, (619) 686-6254.

11. This project is subject to the Port Standard Urban Stormwater Mitigation Plan (SUSMP) process. As such, approval of the project by the District is necessarily conditioned upon submission by the project proponent of a project specific urban Stormwater Mitigation Plan (USMP) that meets District requirements. Project approval requires full implementation of all USMP structural and non-structural BMPs throughout the life of the project.

The Port is currently modifying its development and redevelopment processes



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

that will include modifications to the Port SUSMP, greater reliance of low impact design techniques and the incorporation of a Hydromodification plan. These changes are being made to meet the requirements of the newly adopted Municipal Permit. During this transition period and until the updated Port SUSMP is final, the project USMP is to be designed to follow the County of San Diego's Draft Model SUSMP as revised November 6, 2007, and the Municipal Permit. A link to these interim guidance documents can be found on the District website

http://www.portofsandiego.org/sandiego_environment/susmp.asp

The implementation and maintenance of the USMP BMPs constitute regulatory obligations for the lessee, and failure to comply with the Municipal Permit, the JURMP, or the Port approved USMP, including the specific BMPs contained therein, may be considered a default under the lease.

SHORT TERM CONSTRUCTION MEASURES

1. To minimize noise during construction, the Permittee will require the construction contractor to (a) restrict normal construction activities from 7:00 am to 7:00 pm; (b) keep construction equipment as far as possible from sensitive receptors; and (c) provide acoustical shielding around equipment operating at night, from 10:00 pm to 7:00 am.
2. To minimize fugitive air emissions during construction, the Permittee will require the construction contractor to keep fugitive dust down by regular watering.
3. To minimize nuisance effects from lights or glare during construction, the contractor will shield and direct night lighting away from adjacent areas.
4. All trucks hauling loose material during project construction, either on-site or off-site, shall be adequately protected.
5. Suspend all ground-disturbing activities when wind speeds (as instantaneous gusts) exceed 25 mph at a portable weather station on the project site.
6. Access points onto local paved roads shall be kept clean and swept as necessary if visible soil material is carried onto adjacent public paved roads using a water sweeper.
7. Traffic speeds on all unpaved surfaces shall be limited to 15 mph.
8. Permittee shall prevent inactive trucks from idling more than 5 minutes during construction once they arrive on the construction site.



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

9. All construction equipment shall be maintained in peak condition to reduce operational emissions.
10. Equipment shall use low-sulfur diesel fuel.
11. Electric equipment shall be used to the maximum extent feasible during construction.
12. Construction employees shall be provided with transit and ride share information.
13. Permittee shall ensure that any site contamination is identified and a site restoration plan, acceptable to the appropriate regulatory agencies, is prepared and implemented to reduce any existing contamination to a level that has no potential to threaten employee or human health as defined under existing regulations. If any potential exists for impacts to employee health from exposure to acidic or caustic soils, workers shall be provided with adequate protective gear.
14. Permittee shall require all employees that are exposed to noise levels in excess of Occupational Safety and Health Administration hearing protection thresholds, during construction or operation, to wear noise protection devices (ear plugs and covers) that are protective of individual hearing.
15. Permittee and/or contractor shall comply with State Water Resources Control Board Order No. 99-08-DWQ, National Pollutant Discharge Elimination System (NPDES), General Permit No. CAS000002, and Waste Discharge Requirements for Discharges of Storm Water Runoff Associated with Construction Activity (commonly known as the "General Construction Storm Water Permit"), as adopted, amended, and/or modified. The District is responsible for submitting the Notice of Intent to comply with the General Construction Storm Water Permit. The Permittee and/or contractor must comply with the General Construction Storm Water Permit and District direction related to permitted activities. Construction activity subject to the General Construction Storm Water Permit requires development and implementation of a Storm Water Pollution Prevention Plan (SWPPP). The Permittee and/or contractor must prepare and submit the SWPPP for review and approval by the District prior to site work.

SPECIAL PROVISIONS

1. Following construction, the applicant shall implement the "Lane Field Public Access Program" throughout operation of the project to the satisfaction of the District.



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

2. The applicant shall maintain no less than 300 parking spaces available to the public within its managed parking facility throughout project operation, consistent with the North Embarcadero Visionary Plan Parking Management requirements.
3. The applicant shall implement the "Lane Field Construction Parking Management Plan" throughout project construction to the satisfaction of the District.
4. Prior to development, a subsurface remediation plan shall be developed and implemented. Such plan shall be consistent with the requirements of "Short Term Construction Measures" Item 13 above.
5. A subsurface mitigation plan shall be implemented during site excavation by a qualified archaeologist/paleontologist who meets the City's standards for an archaeological principal investigator. The plan shall include a detailed review of Sanborn fire insurance maps, directory search, and if warranted, limited testing of where the project archaeologist deems necessary for cultural materials recovery within the area impacted. The archaeologist/paleontologist shall conduct on-site observation during the site excavation process. All cultural material recovered and associated records shall be delivered to the curator of an appropriate San Diego County institution that meets the standards of the State Historical Resource Commission's *"Guidelines for the Curation of Archaeological Collections"* dated May 7, 1993.
6. A complete site contamination report in conformance with federal, State, and local regulations shall be completed for the project. The report shall include an existing conditions survey, detailed project description, and specific measures proposed to preclude upset conditions (accidents) from occurring. If hazardous materials are identified, a risk assessment and remediation efforts shall be conducted in conformance with federal, State, and local regulations.
7. A site-specific soil/groundwater assessment shall be performed by a qualified geologist/hydrologist in conformance with federal, State, and local regulations prior to soil disturbance in all areas where soil or water contamination sources are suspected of containing hazardous materials storage systems. Such an assessment shall include collecting and analyzing soil and/or groundwater samples. The presence of soils or groundwater contamination shall be remediated, if necessary, according to applicable federal, State, and local regulations prior to development of the site.



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

8. The proposed project will be designed and constructed so that permanent dewatering is not required. Dewatering activity will be limited to the construction period as may be necessary. The North Embarcadero Visionary Plan Master Environmental Impact Report (certified in March 2000) (Master EIR) recommends that dewatering shall occur to lower the groundwater table to a minimum of 2 feet below the bottom of all removals and excavations.
9. Dewatering discharge shall meet the effluent limits specified by the RWQCB (order No. 90-31) and Federal National Pollution Discharge Elimination System (NPDES) requirement. Order No. 90-31 includes a prohibition of the discharge of dewatering effluent to San Diego Bay for new permanent dewatering operations. If the effluent is discharged to the City of San Diego sewer system, then the discharge shall meet the discharge requirements of the City.
10. In the event that dewatering effluent is discharged to surface waters, groundwater quality data will be required in advance, and possibly, a treatment system will be needed to meet federal, State, and local regulations.
11. If necessary, to identify locations of Underground Storage Tanks (USTs), a site-specific informational review and geophysical survey shall be conducted.
12. A contingency plan for UST removal and remediation shall be prepared. Such plan shall address contractor procedures in the event that an unknown UST is encountered during site redevelopment.
13. Permits to operate or close tanks must be obtained by the tank owner or operator in conformance with federal, State, and local regulations.
14. Soil/groundwater testing shall be performed prior to soil disturbance in conformance with federal, State, and local regulations, and subject to the approval of the jurisdictional agency (i.e., City of San Diego or Port District). Such an assessment shall include collecting and analyzing soil and/or groundwater samples. Soil or groundwater contamination shall be remediated according to applicable federal, State, and local regulations prior to development of the site. Implementation of BMPs to control erosion during construction shall be required regardless of whether or not the soil / groundwater is contaminated.
15. All earthwork activities shall be governed by the provisions of the NPDES general permit, which includes the preparation and



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

implementation of a SWPPP and BMPs to control runoff and sedimentation during construction and post construction.

16. Additional assessment of soil and/or groundwater shall be performed prior to soil disturbance in conformance with federal, State and local regulations.
17. Remediation shall be conducted according to applicable federal, State and local regulations prior to development of the site.
18. Transportation Demand Management (TDM) measurements, including Regional Air Quality Strategy (RAQS) mandated trip/Vehicle Miles Traveled (VMT) reduction and land use measures, shall be implemented for high-occupancy events at the hotels. Project related traffic is less than previously incorporated into the RAQS, which concludes that as long as forecast levels of growth and associated traffic are not exceeded, the RAQS contains enough mitigation of such growth to allow regional air quality standards to be met.
19. Alternative transit opportunities shall be provided by the Permittee for guests and employees, which may include but are not limited to a shuttle service to San Diego International Airport and the provision of bike racks.
20. Permittee shall comply with all applicable public access requirements including participation in a bayside shuttle system upon District implementation of that system.
21. Energy conservation measures will be implemented throughout project operation such that a 20 percent reduction compared to satisfying current Title 24 requirements is achieved. Measures from the applicants "Lane Field Sustainability Initiatives Global Warming Assessment" may be used and include but are not limited to: use of recycled water for landscaping; heat reclamation from central air conditioning; use of fuel cell technology for power cogeneration; and noticing of laundry reuse to guests.
22. Permittee shall investigate the suitability of excavated material for use as sand replenishment on a beach subject to approval by the US Army Corps of Engineers. Beaches within the District shall have first priority for selection. If material is deemed suitable for depositing on a District beach then such an action shall occur. If the material is deemed unsuitable for any District beach but suitable for another beach within San Diego County then that action shall occur. If the material is deemed unsuitable for use as beach replenishment for any beach within San



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

Diego County then the material shall be disposed of or recycled in accordance with applicable local, state, and federal regulations.

23. The project design shall comply with Title 24 of the California Code of Regulations, which includes establishing permissible horizontal sound transmission through shared walls, as well as vertical transmission of impulsive noise through floor/ceiling assemblies. In addition, the use of upgraded interior finishing and heavy window glass are standards required by Title 24. Compliance with these regulations meets the required 45 dBA CNEL interior levels even if the 65 dBA exterior levels are not met. Documentation of compliance shall be provided when building plans are filed.
24. If windows face the tracks along Pacific Highway, use of heavily upgraded glazing and/or heavy drapes is recommended to reduce hotel sleep interference from peak train noise levels.
25. An interior noise study shall be conducted for hotels at the time building plans are developed and measures required to ensure a 45 dB interior level for transient occupancy rooms shall be implemented. Documentation of compliance shall be when building plans are filed.
26. All construction activities shall comply with the City of San Diego's Noise Ordinance, which limits the allowable hours and establishes performance standards for construction activities.
27. Use pre-drilled piles or vibratory drivers if subsurface conditions can accommodate such methods.
28. Perform all pile driving activities on weekdays between 9:00 am and 5:00 pm.
29. Pile driving shall extend past the loose and unconsolidated bay deposits to a depth within the Bay Point Formation that is suitable for the support of proposed piles.
30. All structures shall be designed in accordance with the recommendation of the geotechnical evaluation, and with all applicable requirements of the Uniform Building Code (UBC) for Seismic Zone 4. Project specific design recommendations to limit structural damage or maintain function during an earthquake shall include foundation design parameters and specifications for deep foundations.



3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

31. It is expected that large structures will be founded on some type of deep foundation system, which may consist of driven or cast-in place piles embedded into the underlying Bay Point Formation.
32. All structures shall be reinforced and supported using ground modification (e.g., dynamic compaction) or deep foundation piles.
33. Remedial grading or surcharging and monitoring by means of settlement monuments shall be incorporated into construction within the project area.
34. To assess and offset impacts associated with hydrostatic uplift, an evaluation of potential hydrostatic uplift activities during the time of geotechnical plan review regarding the design and construction of below-grade basement levels shall occur.
35. The project applicant shall prepare a waste management plan in consultation with the City of San Diego Environmental Services Department (ESD) which shall also approve the plan. The waste management plan shall include the following elements:
 - The type and quantity of solid waste expected to enter the waste stream.
 - Source separation techniques to be used and the location of on site storage for separated materials as required by Municipal Code Section 101 2001.
 - The method of transport and destination of separated waste and/or construction debris not re-used on site.
 - A "buy-recycled" program for the project.
 - An impact analysis spreadsheet completed by an ESD analyst. A copy of the waste management plan shall be submitted to ESD and the Port District. With respect to construction/demolition debris, the amount of this material being deposited in the landfill should be reduced by implementing any or all of the following mitigation techniques.
 - Onsite re-use of demolition material in the construction of the development activities
 - Separating construction debris for recycling-reuse by others

If you have any questions on this permit, please contact the Land Use Planning Department of the San Diego Unified Port District at (619) 686-6283.

BRUCE B. HOLLINGSWORTH
Executive Director



**Unified Port
of San Diego**

3165 Pacific Highway, San Diego, CA 92101
P.O. Box 120488, San Diego, CA 92112-0488
619.686.6200 • www.portofsandiego.org

By: _____
RALPH T. HICKS
Director, Land Use Planning

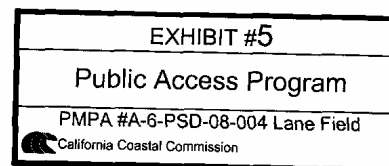
I have read and understand the terms, conditions, limitations, and provisions of this permit and agree to abide by them.

DRAFT

Lane Field Public Access Program

Lane Field San Diego Developers, LLC
655 West Broadway, Suite 1450
San Diego, California 92101

January 4, 2008



I. Lane Field Public Access Program

Project Location

The Lane Field project encompasses approximately 5.7 acres of land in downtown San Diego, located on the north side of Broadway, between North Harbor Drive and Pacific Highway. Lane Field is in Subarea 33 of Planning District 3 in the certified Port Master Plan (PMP) and encompassed within the Master Environmental Impact Report (MEIR) for the North Embarcadero Visionary Plan (NEVP). The Port of San Diego Board of Port Commissioners (Board) certified the Final MEIR on April 25, 2000. The Board issued a Notice of Determination on August 8, 2006 finding that there were no substantial changes in the circumstances under which the Final MEIR was certified. The project site is adjacent to the core of San Diego's downtown with the Broadway Pier and B Street Pier immediately to the west, the Irvine Company proposed office building to the east and the Navy Broadway Complex development to the south.

Public Access Program Components

The purpose of the Lane Field Public Access Program is to define the proposed public pedestrian access integrated throughout the site and identify the management of the public access. The Public Access Program includes the ground level, the podium roof level, vertical circulation elements and a signage program.

Site Access and Public Parking

A critical feature of the Public Access Plan is the proximity to multiple modes of public transit and inclusion of on-site public parking. Lane Field is located one block away from Santa Fe Depot (Amtrak and the Coaster), two blocks away from One America Plaza (San Diego Trolley Orange Line and Blue Line) and within three blocks of seven bus lines. The Lane Field project includes an approximately 1,330 space subterranean parking garage for public and private use. Public vehicular access to self-park is available in two locations: the northeast edge of the project off of Pacific Highway and off C Street on the eastern edge of the project. Four public access elevator banks connect the subterranean parking structure to the one or more of the street, plaza, lobby and ballroom levels.

Lane Field North:

- Parking Garage Elevator bank with two elevators on the North side of C Street, mid-block - access between Garage and Street levels
- Parking Garage Elevator on the northeast corner along Pacific Highway - access between Garage and Street levels

Lane Field South:

- Parking Garage Elevator bank with two elevators on the North side of C Street – access between Garage, Street and Ballroom levels
- Parking Garage Elevator on the southeast corner along Broadway Plaza – access between Garage and Street levels

The elevators off of C Street are within immediate proximity to adjacent retail uses, the C Street Plaza, the hotel lobbies and the NEVP promenade along North Harbor Drive.

Ground Level Access and Circulation

The Lane Field project is a fundamental part of the NEVP, integrating the public realm improvements along Broadway, Harbor Drive and Pacific Highway and extending C Street west of Pacific Highway to Harbor Drive. The ground level access and circulation includes the streetscapes and plaza areas as well as connections into and through the first floor. The ground level use is visitor-serving retail and restaurants, directly accessible from the streets and plazas.

- **Broadway:** the minimum setback requirement along Broadway creates a public plaza ("Broadway Plaza") that expands from 55' between the eastern building edge and Broadway to 110' wide between the western building edge and Broadway at Harbor Drive. The Broadway Plaza will integrate decorative paving (in accordance with the NEVP design principles) with permeable surfaces, seating, and an informal water feature. The design intent of the public realm along Broadway is to create diverse opportunities for the scale and nature of enjoyment, ranging from large civic gatherings and celebrations to intimate spaces for relaxation and conversation.
- **C Street:** C Street provides a critical link for the public between Pacific Highway and Harbor Drive and serves as the primary vehicular circulation path for the hotel, retail and restaurant uses. To accomplish both, the streetscape with optimal sun exposure on the northern side includes a 34' sidewalk at the east and west ends to facilitate heavy pedestrian use and outdoor seating/café areas. The sidewalk narrows to 17'8" at the curve of the ellipse. The sidewalk on the southern side of C Street is 22'6" at the western edge, 12'6" along the traffic ellipse and 10'0" on the eastern edge. On an urban scale, C Street physically and visually connects Santa Fe Depot (Amtrak, Coaster and Trolley services) to the Bay, serving visitors, tourists, residents and local employees. To celebrate the importance of this connection, the central ellipse within C Street will incorporate a public art waterscape designed to mimic the natural phenomenon of waves. Pedestrian connections to this water feature will be provided at its western edge and will integrate a viewing platform for public use.

The western portion of C Street extending 180' east from the curb edge of North Harbor Drive is designed as flexible plaza space that will accommodate both pedestrians and vehicles. The area's primary use will be as a public plaza with direct access to adjacent ground level retail and restaurants, both the North and South public access elevators and connections to the public art waterscape.

The central 'ellipse' mentioned above defines vehicular circulation. This feature includes three traffic lanes and integrates valet parking drop-off and pick-up locations at each hotel's porte-cochere. Valet services are available to the public. Self-park access on the eastern edge of C Street is achieved through ingress/egress ramps that connect to the below grade parking structure.

- **Harbor Drive:** The project is set back 10' beyond the public sidewalk resulting in 25' sidewalks that will accommodate activated outdoor cafés and retail shops, including seating.

- **Pacific Highway:** The at-grade sidewalk along Pacific Highway is 12' wide and is constructed at an elevation that places it within the potential 100-year flood. To allow the building to be constructed with a first floor elevation adequately above the potential high water mark, a raised 12' wide private walkway ramped for public access will be provided in front of the retail establishments. This design will allow the existing sidewalk grade to be maintained while providing safe public access to the retail shops. The private walkway may be eliminated if the final storm water runoff elevation at Pacific Highway allows, as developed by the NEVP Public Improvements design. In this scenario, the building façade would meet the sidewalk level rather than a ramped walkway.

In addition to the streetscape and plaza areas, the Lane Field public access plan includes a north/south connection established through the Lane Field South lobby, a 70' high space that opens up onto Broadway and offers a mid-block connection through to C Street. Further, the hotel lobbies of both Lane Field South and North are accessible to the public.

Vertical Circulation Elements

The Lane Field project integrates the concept of a 'layered public realm,' which begins on the ground level with the streetscapes, plaza and activating uses and continues to the podium roof level with viewing terraces and restaurants and on to the tower roof level of Lane Field North. The activated rooftop will be visible from the ground level but to assure and encourage public access, two public access elevators are located on Harbor Drive. The design of the elevator will include transparent glass to showcase the direct accessibility from Harbor Drive to the podium roof level to the public.

Podium Roof Level

The Lane Field project includes two roof levels accessible by the public in varying degrees: public terrace and circulation, terrace and event space, restaurant/bar and hotel amenities with appropriate management structures, as discussed below.

- **Lane Field South (InterContinental Hotel):** the public realm elevator arrives on the podium at the northwest corner of the InterContinental Hotel podium roof, connecting to the restaurant and bar on the same corner and linking directly to the viewing terrace on the southwest corner with expansive views of the city and the bay.
 - **Public terrace and circulation** – A promenade is designed to connect the core vertical circulation elements through the lobby with the public realm elevator and all adjacent uses. The circulation area includes restrooms and a dedicated viewing terrace.
 - **Terrace and event space** – the southwest corner is a multi-purpose space designed to accommodate private functions and, during a non-event hours, provide a public viewing platform.
 - **Restaurant/Bar** – the Food and Beverage facilities are available to all customers, including guests, visitors and residents.
 - **Hotel Amenities** – the hotel amenities include a pool deck and luxury spa facility and are designated specifically for guest access only.

- Lane Field North (Vivara): the public realm elevator arrives in the middle of the western edge of the Hotel podium with direct access to restaurant and bar and visual connection to the bar terrace and outdoor terrace. The Vivara also features a tower roof level terrace.
 - Public terrace and circulation – the public access elevator connects along the southern edge of the terrace level, wrapping around the restaurant/bar area to connect to the elevator and escalator access
 - Restaurant/Bar – the Food and Beverage facilities are located on the northwestern corner and are available to all customers, including guests, visitors and residents.
 - Hotel Amenities – the hotel amenities include guest suites located on the terrace level.
 - Tower roof level – presuming that the rooftop lounge and event terrace are constructed, public access will be provided through a clearly identified promenade linking the public realm elevator to the building's vertical transportation core. The core contains two designated elevators linking the podium roof level to both the hotel lobby and the terrace at the Tower roof. Access to the rooftop may occasionally be limited for private events. This access will be managed by the hotel operator.

Management

The Broadway Plaza will be accessible to the public 24 hours a day for all days except those dedicated to civic events as may be determined by the City of San Diego. C Street Plaza will be accessible to the public 24 hours a day for all days when it is not reserved for private functions sponsored by the Manager of the Development. This area will be operated and managed by the entity that operates the common spaces and parking garage. Access to the podium and rooftop levels of the hotels will be allowed during normal business hours, which are expected to be between 6am to 2am.

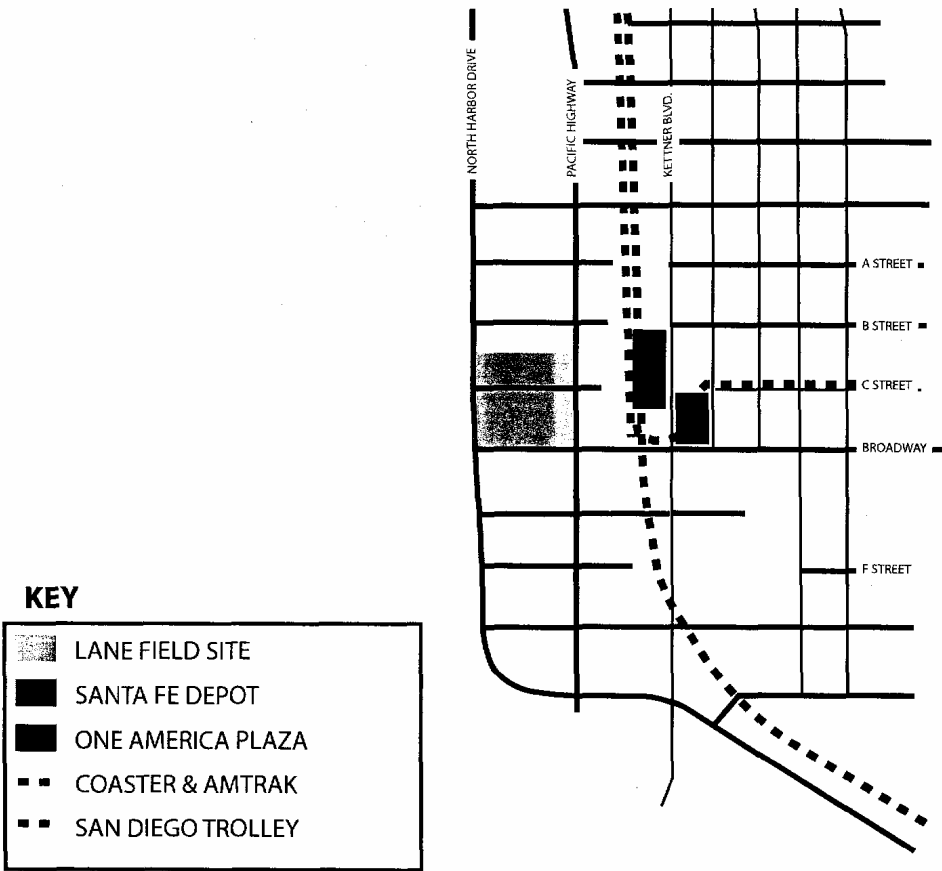
Signage

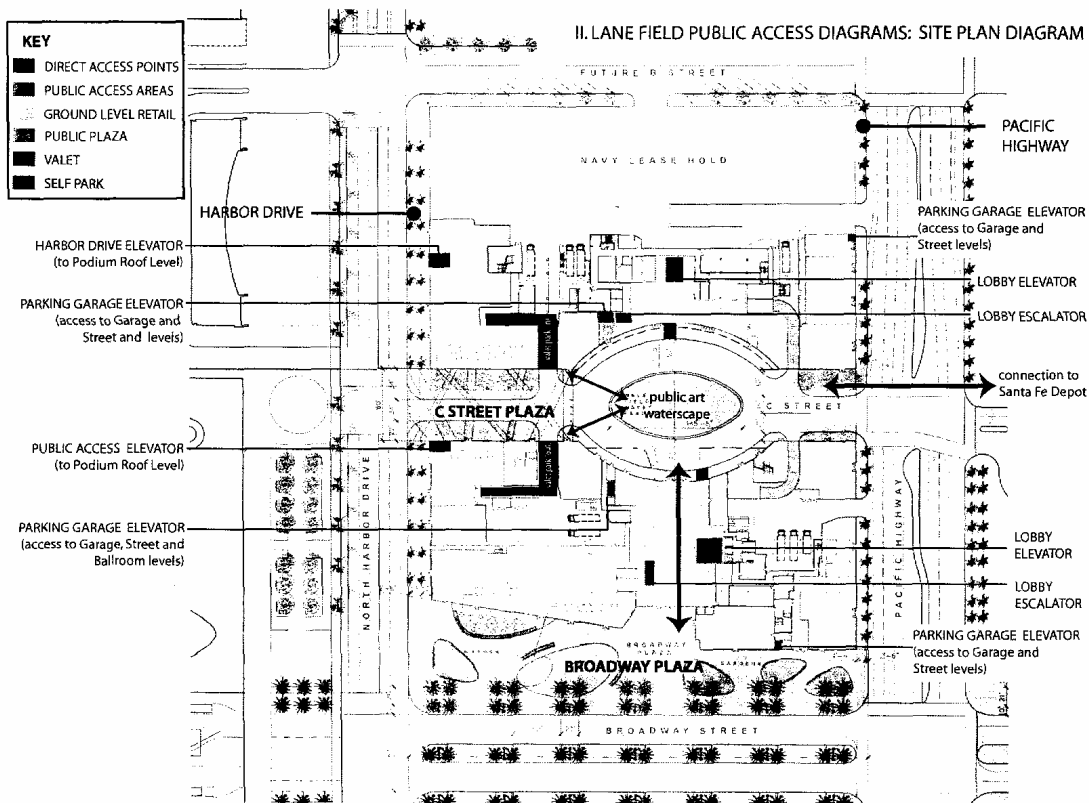
A comprehensive signage system will be integrated into the project to indicate areas of public access and hours of availability. The signage system will provide appropriate direction to specific points of access, including the parking garage elevators and the public access elevators.

Lane Field Public Access Diagrams

- Site Access and Public Parking
- Site Plan Diagram
- Podium Roof Level
- Vertical Circulation

II. LANE FIELD PUBLIC ACCESS DIAGRAMS: SITE ACCESS AND PUBLIC PARKING



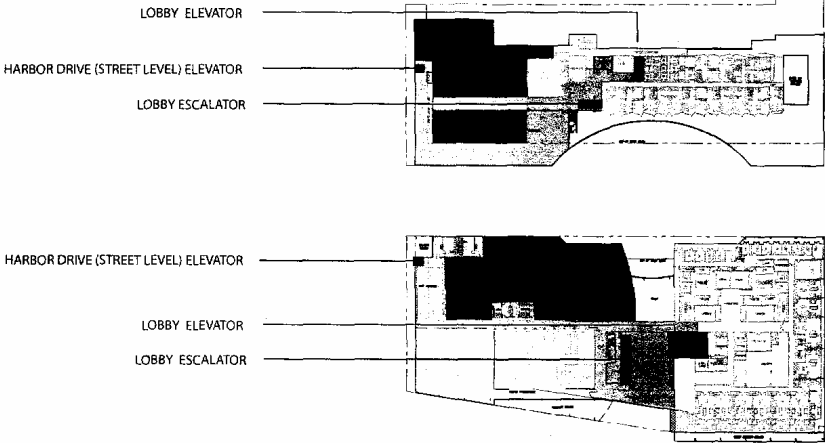


KEY

- DIRECT ACCESS POINTS
- PUBLIC TERRACE & CIRCULATION
- EVENT SPACE & PUBLIC TERRACE
- RESTAURANT/BAR
- HOTEL AMENITIES

II. LANE FIELD PUBLIC ACCESS DIAGRAMS: PODIUM ROOF LEVEL

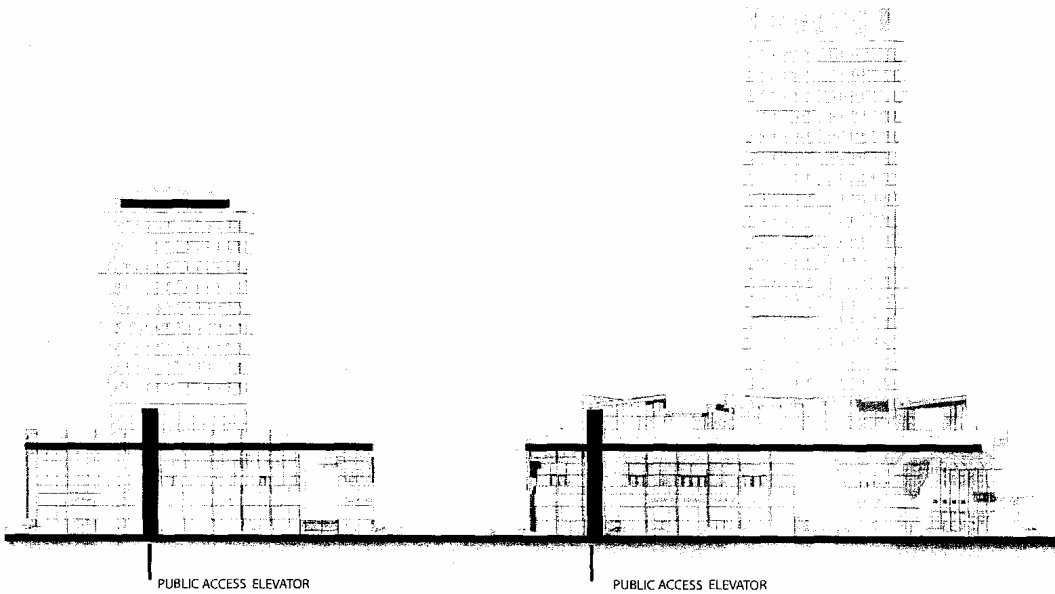
Direct Access Points identify public access from the ground level to the podium roof level.



KEY

- DIRECT ACCESS POINTS
- INTERIOR ELEVATOR
- PUBLIC ACCESS AREAS

II. LANE FIELD PUBLIC ACCESS DIAGRAMS: VERTICAL CIRCULATION





Five Star Parking

**LANE FIELD MIXED USE PROJECT
PARKING MANAGEMENT PLAN
November 2, 2007**

The following Parking Management Plan will serve as an outline for establishing the operational parking procedures for the Lane Field development. Our goal is to provide the leadership, manpower, equipment, and methodology for the management of the parking system (including on and off site parking structures and valet services) operating at a **Five Star Customer Service** level.

The Lane Field mixed use project includes two hotels, the 525 key, 4-½ Diamond Intercontinental Hotel and the Vivara, a 275 key "Five Diamond" Hotel, for a total of 800 guestrooms. Included within the project will be meeting rooms, hotel food and beverage operations, a spa, retail space and restaurants totaling an additional 150,000 square feet.

Construction Demand Planning

During the construction period, which is estimated to commence April 2008 and continue through December 2010, we anticipate a requirement for 200 to 250 construction crew parking spaces and construction trailer space. Five Star Parking operates a full city block of parking known as Lot #57, located at the SE corner of Broadway and Pacific Highway. This lot contains 200 spaces and will be available throughout the construction term for parking and construction jobsite office use.

In addition, Five Star Parking has requested that the San Diego Unified Port District make available for construction parking the current "Airport Employee Parking Lot" located on Harbor Island Way and Harbor Drive. If this lot is available, we will provide monthly construction parking as well as public parking in support of waterfront activities and a shuttle service to the project site at a reasonable cost.

Parking Demand

Based on Walker Parking Consultants October 10, 2007 "Lane Field Parking Requirement Analysis", "approximately 1,276 spaces are necessary to adequately park the demand generated by the land uses at Lane Field and the additional public spaces required by the Port." This parking demand reflects the typical shared parking operation of a mixed use project which does not offer any reserved parking spaces which would increase the number of stalls required since fewer stalls would be available for sharing. We therefore will not provide any reserved parking on this project.

The peak parking demand for the project will be 1,166 spaces during the typical weekday and 1,275 spaces on each weekend day. These demand schedules include 157 employee parking spaces on weekdays and 93 employee spaces on weekends. All

Parking Management Plan
 1/10/200811/16/200711/8/2007
 Page 2

employee vehicles will be self parked only. Guest and public parking will be all valet parking during peak demand days with Self Park available at all other times.

All parking demand reflected in the shared parking analysis will be accommodated on site. In the event that actual demand during major events at the hotel exceeds the demand projected by Walker Parking, valet drop-off and pickup will be provided onsite while overflow vehicles will be parked at either the Bosa Development parking lot located at Broadway and Pacific Highway or the 700 West Broadway Office Building garage located directly across the street which is owned by The Irvine Company and projected for completion in late 2010. Both of these properties will be operated by Five Star Parking under long term management agreements which anticipate overflow parking from the Lane Field Hotel project.

Parking Garage Configuration

The common parking garage for the project will contain an estimated 1,330 parking stalls, of which 186 will be specifically designed for valet parking. The parking inventory is as follows:

Parking Level B1	527 Standard Spaces 186 Valet Spaces 713 Total Spaces
Parking Level B2	617 Standard Spaces =====
Parking Garage Total	1,330 Total Spaces

During periods of peak demand, an additional 37 spaces can be realized for every second drive aisle on Parking Level B1 by stacking vehicles in the drive aisles. This will result in 148 additional spaces on this level during 100% valet parking only. In a like manner, Parking Level B2 can be converted to 100% valet parking use, resulting in 37 additional spaces per utilized drive aisle which would add 74 additional spaces during 100% valet parking only. The total extra stalls available by utilizing 100% valet parking would add 222 stalls for a total valet capacity of 1,552.

Valet Operation

Each hotel will have a porte cochere where hotel guests, restaurant, and retail patrons may take advantage of valet parking. During periods of normal demand, valet attendants and a valet cashier will be stationed in front of each hotel on the street level to receive guest automobiles. Those valet automobiles will be parked on the P1 level and the keys stored with the valet cashier.

During special events and periods of extreme high demand, valets will be stationed on the street level to service in-bound demand. Keys, however, will be stored in the garage, on B1, at a special event valet stand. As the special events end, the majority of the valets will be reassigned to the valet stand at level B1. The valet cashier will radio ticket numbers to the valet crew downstairs, resulting in faster retrieval of the automobile.

Depending upon demand for valet services for the project's restaurants, we are prepared to open a special event valet stand at the west end of C Street. The staffing level of valet labor will

Parking Management Plan
1/10/2008 11/16/2007 11/8/2007
Page 3

depend upon hotel occupancy and planned special events; however, there will always be a valet captain on duty at each hotel.

One parking facility manager will be assigned to the project on a full time basis, with two assistant managers covering those times the manager is not on duty. The operator's Hotel Division Manager will also devote a portion of his time to the project to ensure that the operation continues to meet our Five Star level of customer service.

Self Park Operation

It is estimated that 60% of the average parking demand will be for self parking. Self service ramps take guests directly to the second underground floor (P2) where the guest will automatically be issued a machine generated parking ticket. There will be one self parking cashier on duty at all times in the south-central part of the garage. There will also be a self-service entry and exit along the north property line, accessible from Pacific Highway. This will be utilized by employees and self parking guests. There will not be a cashier staffing this entry/exit, however registered hotel guests, validated visitors, and employees with access cards will be able to use this exit lane on a 24 hour basis. During periods of extremely high demand (post special event), a parking staff member can be assigned to this automated exit to assist the guest in processing their parking ticket.

Parking Validations

It is anticipated that the facility's parking equipment will allow for automated parking validations for guests of the facility, where offered. Guests with a validation may utilize either the attended cashier or the automated exit device.

Parking Security

Although the parking valets are on duty for parking cars and the collection of fees only and do not serve as security guards, their presence at the facility and in the garage is valuable and reassuring to the parking public. Valets will be the eyes and ears of the garage and will report unusual occurrences to hotel security personnel for a coordinated response. Video surveillance equipment and digital video recording of garage activities will be part of the parking equipment bid.

Management Reports

The parking operating contract will provide for a management fee along with the passing of all operating costs through to the owner; the parking operator will provide a monthly parking management report to the owner, which shall include the following information:

- A management report showing all hotel and visitor parking revenue.
- The same report will detail all operating costs and expenses with documentation for each expense.
- Invoices for payment due in the event the revenues fail to cover the operational costs or a check for payment in the event the revenues exceed the operational expenses.
- A cover letter from Five Star Parking attesting to the accuracy of the volume statements.

Standard Operating Procedures

Parking Management Plan
1/10/200811/16/200711/8/2007
Page 4

Five Star Parking as "Operator" prides itself on following a regimented operating structure that ensures that all of our clients receive the most efficient operation of the parking facilities and competitive bids for all improvements to the facilities. Our standard operating procedures are outlined below:

1. Operator will conduct business on operating hours as required by Client. Operator shall implement all changes to operating hours as Client may direct from time to time.
 2. Operator shall recommend all parking rates for each Parking Facility, which will be determined and approved in writing by Client in its sole discretion. Operator shall also submit a parking rate survey, which shall document all parking rates then currently charged by all area parking facilities semi-annually and with each Annual Budget.
 3. Operator shall institute such parking programs, including without limitation validation programs, and any other programs for parking, including but not limited to, reserved parking, non-reserved parking, complimentary parking, etc., as Client may direct from time to time.
 4. Unless otherwise directed by Client, Operator agrees to use best efforts to ensure that reserved parking spaces (if any) are used solely by the persons for whom such spaces are reserved.
 5. Operator shall not reconfigure the striping layout of any Parking Facility without prior written approval of Client.
 6. Operator shall employ sufficient experienced and qualified personnel as necessary to provide the specified quality and level of service to carry on its parking operations. All on-site attendants shall be appropriately uniformed as approved by Client. In addition, Operator shall use reasonable care and comply with all applicable laws and regulations in hiring and discharging any of its employees and shall provide a staffing schedule to the Client for all staff that is charged to the facility and document same as part of the Annual Budget, and approved in writing by Client prior to implementation. Operator shall request, in writing and in advance, any proposed revisions in the staffing schedule, which Client will review and may approve, modify, or disapprove in its sole discretion.
 7. Operator shall not erect, maintain, or use any signs or advertising media at any Parking Facility without obtaining Client's prior written approval thereto. However, Operator shall advise Client of any signage that may be required by applicable law (including without limitation any signage required in order to tow a vehicle and signage required pursuant to California "Proposition 65" and any attendant regulations).
 8. Operator shall conduct its parking operations at each Parking Facility in a first-class, safe, and business-like manner including without limitation, establishing traffic patterns appropriate for the Parking Facility and procedures for the avoidance of vehicle theft.
 9. Operator shall, in good and workmanlike manner provide or cause to be provided (a) all housekeeping and striping for the Parking Facilities, (b) periodic pressure washing of each garage interior, (c) all routine repair and maintenance as reasonably required of any of the following, if used in connection with and located in a Parking Facility: golf cars or other vehicles as applicable (collectively, the "Garage Vehicles"), overhead garage doors, and parking and revenue control equipment. All oil and other fluid changes for Garage Vehicles are not permitted on any Parking Facility premises and Operator hereby agrees to have said oil and
-

Parking Management Plan
1/10/2008 11/16/2007 11/8/2007
Page 5

fluid changes performed at a suitable location other than at the Parking Facility as an Operating Expense only if it is included in the Annual Budget. By way of example and not limitation, routine repair and maintenance of parking and revenue control equipment would include adjustment, repair or replacement of components (and related software) including gate-arm belts, Ticket spitter ribbons, cutting blades, or loop "detectors", but would exclude full replacement of such equipment (and related software) such as a complete Ticket Dispenser, gate assembly, or pay station. From time to time, as reasonably necessary, Operator shall advise Client of the need for any of the repairs or replacements to the Garage Vehicles, the parking revenue and control equipment, or any Parking Facility.

10. Operator shall keep each Parking Facility and all appurtenances thereto, including driveways, in a clean, safe, and healthful condition to the reasonable satisfaction of Client and in compliance with the local ordinances and the direction of the proper public officials. Operator will not knowingly permit anything at a Parking Facility which would knowingly vitiate, void, or increase the cost of any insurance carried by Client or Operator on the Parking Facility. Operator further agrees to comply with all governmental laws, ordinances, and regulations pertaining to the conduct of Operator's business thereon.

11. Operator shall not use or suffer or permit any person to use any Parking Facility or appurtenances in connection therewith for any use or purpose or in any manner which would be in violation of applicable laws and will not itself or knowingly permit others to sell, use or give away alcoholic liquor in, on or from any Parking Facility, and during the term of this Agreement, each Parking Facility and appurtenances shall be kept by Operator in a clean and wholesome condition, and all health and police regulations pertaining to or controlling the use thereof shall at all times in all respects be fully complied with by Operator.

12. Operator shall reasonably ensure that its employees Operators, servants and representatives (and Operator shall require that the employees, Operators, servants, representatives of any contractors or subcontractors that it may engage to do work in any Parking Facility) use, store, and dispose of any and all materials that they bring onto the Parking Facility in accordance with all applicable environmental laws.

13. Operator shall, at Client's direction, purchase all supplies and services through Client's purchasing sources.

15. Operator shall comply with Client's bidding and contracting Standard Operating Procedures prior to contracting or committing to work in accordance with Section 3.2.1 of this Agreement. The bids shall be conveyed to Client, in advance, who shall review and approve the bids in its sole discretion.

Vehicle Damage

The last thing a guest wants to discover after their visit is their vehicle damaged, vandalized or stolen. Prevention of such occurrences is, of course, the best policy, and all efforts should be directed toward clean, well-lit, and well-patrolled parking facilities. Unfortunately, such incidents do occur, and when they do, Five Star Parking will implement the following procedures: The manager or valet captain on duty will make personal contact with the guest and a complete an incident report. A police report will be ordered, if necessary, and alternative transportation arrangements will be made for the patron. Any other reasonable assistance will be offered.

Parking Management Plan
1/10/200811/16/200711/8/2007
Page 6

The manager or valet captain will place a follow-up call to the parking patron within (24) hours and written correspondence will document Five Star Parking's position on the matter. Internally, a report of the incident will be sent to the Five Star Parking claims manager for discovery and disposition. If the incident is not isolated, but the beginning of a pattern, additional measures will be taken to prevent recurrences. Five Star Parking will make all efforts to reduce the possibility of a dispute and to be a source of help and support in these unfortunate circumstances.

Hire and Train Personnel

Five Star Parking hires and trains only the best valets and cashiers. We ensure that each is familiar with the parking operations and the specific demands of each hotel. In the case of the Lane Field, there will be an extensive training program put in place to familiarize each employee with the procedures and traditions of each hotel, as well as local facts that may benefit guests. Our large local presence will ensure that all employees are trained to the level of **Five Star Customer Service**. Our corporate management is able to provide professional training that will ensure our staff is fully trained all aspects of parking and customer service.

Cash Handling Procedures

The parking revenues that will be generated by the parking facilities are the principal responsibility of the operator. Five Star Parking will address this area of responsibility in a manner consistent with our professional standards of revenue control. The single most important element of any revenue control system is the people who function within that system. Five Star Parking's hiring policies, management controls, and operational procedures set the standard for the parking industry. Our emphasis on training quality employees is integral to our revenue integrity program.

Five Star Parking is of the opinion that the combined experience of its partners has made it a leader of revenue control measures in such a singularly vulnerable cash business. Five Star Parking concentrates on eliminating all theft opportunities by careful and thorough management, constant surveillance, and a system of redundant accounting procedures that eliminates fraud from the outset.

Payroll and Expense Tracking System

Five Star Parking will establish and maintain at the parking operator's office those books, records and systems of account, in accordance with generally accepted accounting principles consistently applied, reflecting all business operations of the facility transacted under the Parking Agreement. These books, records and systems of account shall be retained by Five Star Parking during the term of the Parking Agreement and up to three years after the end of operations and shall be available at all reasonable times, with or without notice, for inspection and audit by the building owner or its agent. Our main office in downtown San Diego will maintain those books, records and systems of account and will administer the internal control structure which comprises the accounting system and the revenue control procedures.

Revenue Control and Valet Parking Equipment

We have wide-ranging experience with state of the art computerized parking systems at our San Diego operations. Our current operations include pre-cashiering, machine readable, off-line and on-line revenue control systems. The manufacturers of the systems we operate are:

Parking Management Plan
1/10/200811/16/200711/8/2007
Page 7

- Ski Data
- Amano-IParc
- Federal APD
- Digital Pioneer

It is Five Star Parking's goal to provide the highest level of service to the parking patron while still maintaining the maximum revenue control. The additional cost of a more sophisticated parking control system, which may be substantial, is usually more than offset by the increase of collected parking revenues. If these systems are properly installed and maintained, the result is improved operational conditions, increased cash security and better auditing controls. However, even the most sophisticated of computerized revenue control systems is rendered ineffective if not operated, maintained and utilized properly.

All of our personnel involved in the operations of such equipment will be properly trained in its functions and supervisory personnel will be required to attend training courses to become well versed in the computer's operation and to enable them, in turn, to train the cashiers. Five Star's intensive training procedure represents our determined approach to the correct use of available revenue control equipment.

The computerized revenue control system provides control over 'lost,' 'swapped,' unreadable, mutilated, and 'stolen' tickets, while also providing reporting and data processing capabilities. Tickets are taken out of the hands of cashiers; thereby eliminating calculation errors and 'miss-key' errors where entry time or entry date has been entered incorrectly. "Keying" errors, be they honest or intentional, cost money. Additionally, the reverse situation, overcharges, results in patron ill-will and a lack of confidence in the parking operation.

A clean audit trail is the result of an integrated computerized control system. Information gained from such a system is beneficial in the analysis of a location's activities for possible areas of improved control and/or increased revenue. Beyond what a computerized system in itself has to offer in tighter revenue control, we at Five Star Parking would include an internal program to maximize the effectiveness of the system as follows:

1. A thorough training procedure for all personnel in the operation of the system.
2. A preventive maintenance schedule that emphasizes a clean work area.
3. Employees eating and drinking in the cashier booths will be subject to disciplinary action.
4. Foreign articles such as paper clips, hairpins or other debris must be kept away from all equipment.
5. Rotation of all personnel on an unannounced schedule to preclude the possibility of collusion between employees.
6. Alerting the Client immediately in the event of a malfunction or a developing mechanical problem.

Customer Service

Customer service is our primary concern in every valet operation. Years of experience in the parking industry have made Five Star Parking acutely aware of the special parking needs and expectations of the hotel guests. Because of our valet experience at numerous parking facilities, we are intimately familiar with the complexities arising from the operations. By being aware of the potential pitfalls, precautions can be taken which will minimize problems. Any technical problem will be immediately reported to the proper department to ensure a quick resolution. Exit areas will be carefully monitored so that standby staff can be available to prevent any unnecessary delay to

Parking Management Plan
1/10/200811/16/200711/8/2007
Page 8

patrons. Our personnel will be expected to maintain a professional appearance and manner, for they are the key to good public relations.

Despite all our efforts to the contrary, problems do occasionally arise. Any customer complaints will be directed to the Facility Manager or Valet Captain who will immediately address the situation. Various claim forms will be made available to the patron whether for damage or for some other claim. Completed forms will be processed by submitting them to Five Star Parking's Claims Department. All correspondence from patrons will be retained and copies will be sent to the building owner with reasonable written notice. Any reasonable request to Five Star Parking for additional action will be carried out promptly.

Parking Garage Maintenance

Five Star Parking, as part of its comprehensive management of parking operations, puts particular emphasis on maintaining attractive, clean, and well-lit facilities. Five Star Parking believes that the appearance of a parking facility is a reflection of the entire operation. Parking facilities are the first and last impression the patron receives. Clean roadways and parking areas are representative of a well-maintained and well-managed operation. We therefore strive to maintain an image, which complements both the facility and our company. All employees will be instructed to keep their immediate work areas clean and free of debris at all times. The Manager will carefully scrutinize all areas for potential hazards such as grease spots, puddles, lighting or uneven surfaces. Any such hazardous conditions will be remedied immediately.

Conclusion

The Lane Field Mixed Use Project Parking Management Plan is a blueprint for success in mixed use parking operations. It's an exciting project and we're looking forward to developing the plan even more as the project evolves. If you have any further questions or concerns with regard to this Parking Management Plan, please call either Paul Chacon or Randy Dick at the contact info below. Thank you for your consideration in this regard.

Paul Chacon
General Partner
FIVE STAR PARKING
655 West Broadway, Ste. 1060
San Diego, CA 92101
T (619) 235-4500
Email pchacon@fivestarparking.com

Randy Dick
Hotel Division Manager
FIVE STAR PARKING
501 West C Street, Ste. 201
San Diego, CA 92101
T (619) 233-2200
Email rdick@fivestarparking.com

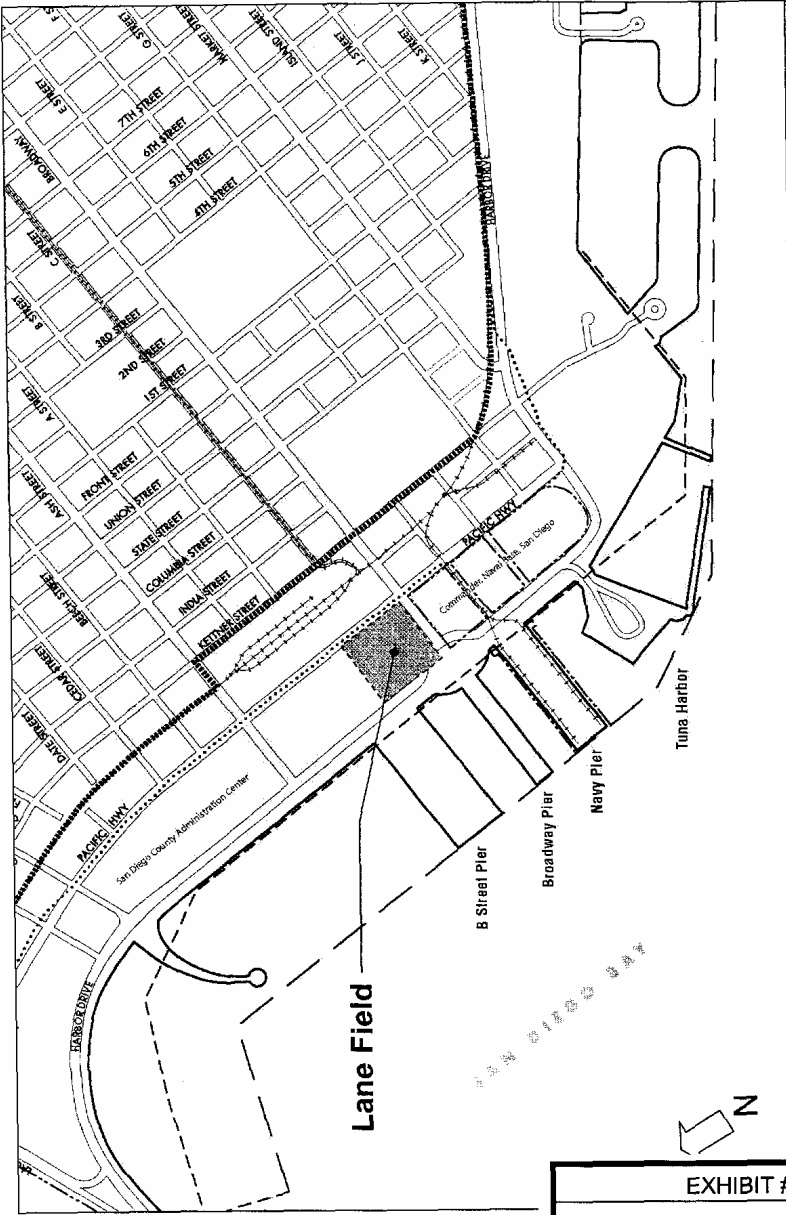

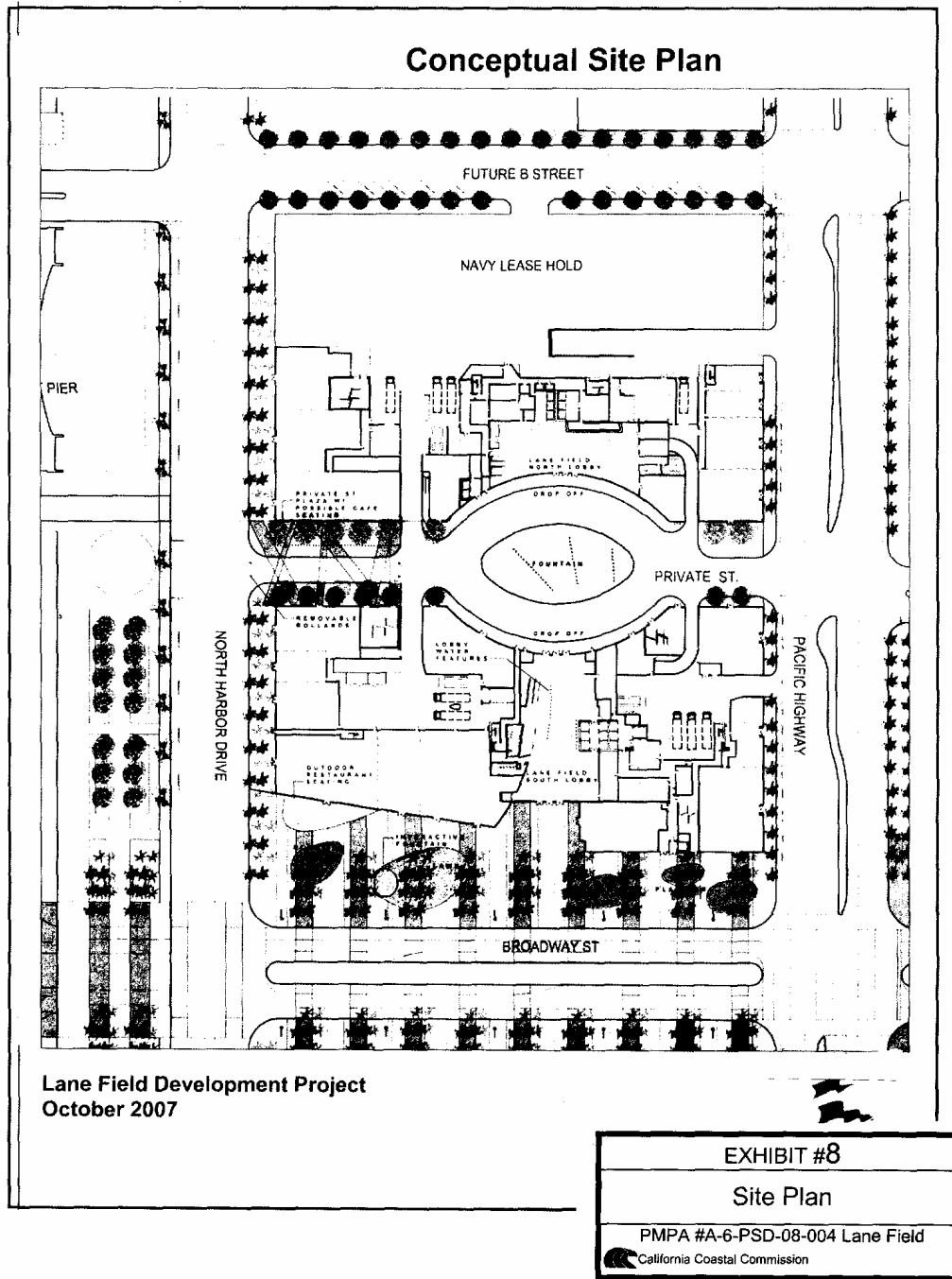


Figure 1 – Project location Map: Lane Field Development Project

EXHIBIT #7
Location Map
PMPA #A-6-PSD-08-004 Lane Field
 California Coastal Commission



Conceptual Building Design – View to the Southeast



View of Proposed Lane Field hotels with future Navy Broadway, Irvine and Bosa Development Projects
in the Background

Lane Field Development Project
October 2007



EXHIBIT #9
Proposed Elevational View
PMPA #1-07 Old Police Station and Park
California Coastal Commission

California Coastal Community Public Shuttle Services

- Santa Monica Tide Shuttle Bus

Designed to help reduce traffic congestion, pollution and parking hassles for Santa Monica visitors, residents, and those who work within the City, the Tide Shuttle runs every 15 minutes and operates 7 days a week, everyday of the year, for a 25 cent fare. It connects shopping, dining and entertainment at the Third Street Promenade, Santa Monica Place, the beach, the Pier and Main Street, the downtown and Civic Center areas. The service is provided through a public and private sector partnership between the City of Santa Monica and the Sheraton Delfina, DoubleTree Guest Suites, Shutters on the Beach, Loews Santa Monica Beach Hotel, and Casa del Mar Hotel.

- Long Beach Passport Shuttle

The Passport shuttle runs approximately every 5-10 minutes, is free in the Downtown area, and covers Long Beach attractions including the Queen Mary, Aquarium of the Pacific, Shoreline Village and Pine Avenue. For 90 cents, the Passport continues to the attractions of Belmont Shore, Alamitos Bay and Cal State Long Beach. The Passport also connects to an Aquabus water taxi for transport between selected sites in Rainbow Harbor, and an Aqualink catamaran to Alamitos Bay.

- Santa Barbara Downtown/Water Shuttle

Provides frequent bus service along State Street and the Waterfront area connecting the Wharf, the Santa Barbara Zoo, and other attractions for a 25 cent fare.

- Laguna Beach Summer Shuttle Service

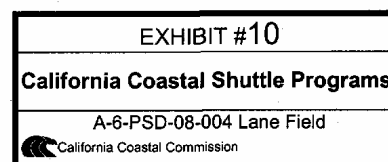
The Summer Shuttle Service is a free four line service designed to accommodate locals and visitors who come to Laguna Beach for the Pageant of the Masters, local art festivals and other day tripping activities during the ten week summer season. Beginning in late June through the end of August, shuttle routes operate seven days a week from 9:30 a.m. to 11:30 p.m.

- Monterey MST Trolley

The MST Trolley is a free service operating Memorial Day through Labor Day connecting the Monterey Bay Aquarium, Cannery Row, Fisherman's Wharf, and Downtown Monterey. It is funded by a partnership of the City of Monterey, the Monterey Bay Aquarium and Monterey-Salinas Transit.

- Capitola

Memorial weekend through September, Capitola has a free weekend shuttle service into Capitola Village.



- Cambria Village Trolley

The Cambria "Otter" Bus is a free bus operating year-round and includes 24 stops beginning and ending at the San Simeon Pines Resort on Moonstone Beach Drive. The trolley stops at several locations in both the West and East Villages including the Fiscalini Ranch Preserve, Veteran's Hall, Cambria Pines Lodge, Cambria Community Healthcare District, and East Village parking lot.

- Morro Bay Trolley

The bus operates Memorial Day Weekend through the first weekend in October, linking North Main Street and Downtown Business Districts, Embarcadero, and State Parks with various stops along the Highway 1 corridor.

- Avila Beach Trolley

The Avila Beach Trolley is a free shuttle around Avila Valley to Shell Beach.

- Calabasas Trolley

The Calabasas Trolley is a free Friday night and weekend bus with a loop route in one direction throughout the City.

In process:

The City of Dana Point is working with San Clemente and San Juan Capistrano on a "Tri-City Trolley System" to coordinate riders from the nearby train stations and neighboring cities to points of interest through the community such as Dana Point Harbor, Town Center, beaches, resorts, and the Headlands as well as provide a linkage with the neighboring cities of San Juan Capistrano and San Clemente.
